

INTRODUCED \_\_\_\_\_  
PUBLIC HEARING \_\_\_\_\_  
COUNCIL ACTION \_\_\_\_\_  
EXECUTIVE ACTION \_\_\_\_\_  
EFFECTIVE DATE \_\_\_\_\_

**County Council Of  
Howard County, Maryland**

2008 Legislative Session

Legislative Day No. 13

**Bill No. 59-2008**

Introduced by: The Chairperson at the request of the County Executive

AN ORDINANCE providing for the issuance of up to \$125,000,000 Howard County, Maryland Consolidated Public Improvement Bonds and up to \$35,000,000 Howard County, Maryland Metropolitan District Bonds, pursuant to various bond enabling laws; providing that such bonds shall be general obligations of the County; providing for the private (negotiated) sale of such bonds; providing for a continuing disclosure agreement; authorizing the County Executive to specify, prescribe, determine, provide for or approve the final principal amounts, maturity schedules, interest rates and redemption provisions for such bonds, and certain other matters, details, forms, documents or procedures, and to change the method of sale of such bonds; providing for the disbursement of the proceeds of such bonds and for the levying of taxes to pay debt service on such bonds; providing for and determining various matters in connection therewith; and providing that this Ordinance shall be supplemental to Council Bill No. 34-2006, as heretofore supplemented.

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Introduced and read first time \_\_\_\_\_, 2008. Ordered posted and hearing scheduled.

By order \_\_\_\_\_  
Sheila M. Tolliver, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on \_\_\_\_\_, 2008 and concluded on \_\_\_\_\_, 2008.

By order \_\_\_\_\_  
Sheila M. Tolliver,  
Administrator

This Bill was read the third time on \_\_\_\_\_, 2008 and Passed, Passed with amendments \_\_\_\_\_, Failed \_\_\_\_\_.

By order \_\_\_\_\_  
Sheila M. Tolliver,  
Administrator

Approved by the County Executive \_\_\_\_\_, 2008

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Ken Ulman, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN ALL CAPITALS indicates additions to existing law; ~~Strike out~~ indicates material deleted by amendment; Underlining indicates material added by amendment.

1 **Recitals**

2 The County Council of Howard County (the "County Council"), by Council Bills Nos. 28, 29, 39, 40, 55  
3 and 56 of the County Council of Howard County, enacted during the 2003 Legislative Session, Council  
4 Bills Nos. 18, 19, 20, 31 and 32, enacted during the 2004 Legislative Session, Council Bills Nos. 23, 24,  
5 25, 28, 35, 36 and 44, enacted during the 2005 Legislative Session, Council Bills Nos. 28, 29, 30, 31 and  
6 76, enacted during the 2006 Legislative Session, Council Bills Nos. 20, 21, 22, and 36, enacted during  
7 the 2007 Legislative Session and Council Bills Nos. 28, 29 ~~and~~ , 30 and 45, enacted ~~being~~ during the 2008  
8 Legislative Session (collectively, the "Consolidated Public Improvement Bond Enabling Laws") has  
9 authorized and empowered Howard County, Maryland (the "County"), (a) to borrow on its full faith and  
10 credit and issue and sell its bonds therefor, at one time or from time to time, certain sums for the purposes  
11 and in the amounts set forth in the Consolidated Public Improvement Bond Enabling Laws (and the  
12 County Council has determined that it is in the best interest of the County to borrow part of such sums);  
13 (b) to enact an ordinance or ordinances in accordance with Article VI of the Charter of Howard County  
14 and other applicable provisions of law providing for the issuance and sale of any bonds to be issued under  
15 any such ordinance; and (c) to levy annually ad valorem taxes upon the assessable property within  
16 Howard County, Maryland, sufficient, together with funds available from other sources, to provide for the  
17 payment of the principal of and interest on any bonds so issued until all such bonds shall mature and be  
18 redeemed.

19 The County Council, by Council Bill No. 26, enacted during the 2005 Legislative Session,  
20 Council Bill No. 32, enacted during the 2006 Legislative Session, Council Bill No. 23, enacted during the  
21 2007 Legislative Session, and Council Bill No. 31, enacted during the 2008 Legislative Session  
22 (collectively, the "Metropolitan District Bond Enabling Laws" and, collectively with the Consolidated  
23 Public Improvement Bond Enabling Laws, the "Bond Enabling Laws") has also authorized and  
24 empowered the County, (a) to borrow on its full faith and credit and issue and sell its bonds therefor, at  
25 one time or from time to time, certain sums for the purposes and in the amounts set forth in the  
26 Metropolitan District Bond Enabling Laws (and the County Council has determined that it is in the best

1 interest of the County to borrow part of such sums); and (b) to enact an ordinance or ordinances in  
2 accordance with Article VI of the Charter of Howard County and other applicable provisions of law  
3 providing for the issuance and sale of any bonds to be issued under any such ordinance; and (c) to levy  
4 annually ad valorem taxes upon the assessable property within Howard County, Maryland, sufficient,  
5 together with benefit assessments, ad valorem taxes levied upon assessable property in the Metropolitan  
6 District and other available funds, to provide for the payment of the principal of and interest on any bonds  
7 so issued until all of such bonds shall mature and be redeemed.

8 Section 12 of Article 31 of the Annotated Code of Maryland, as amended (the "Bond Anticipation  
9 Note Act") authorizes the County to issue and sell its bond anticipation notes in an aggregate principal  
10 amount not greater than the authorized amount of bonds which the County is authorized to issue, the  
11 principal of and interest on such notes to be made payable out of the first proceeds of sale of such bonds,  
12 or from the tax or other revenues which the County shall have previously determined to apply to the  
13 payment of such bonds and the interest thereon.

14 Pursuant to and in accordance with the Bond Anticipation Note Act, the Bond Enabling Laws and  
15 Council Bill No. 35-2006, enacted and effective on June 7, 2006 (the "Initial Note Ordinance"), as  
16 supplemented by (a) Council Bill No.50-2006, enacted and effective on August 2, 2006 ("Council Bill  
17 No. 50-2006"), (b) Council Bill No. 2-2007, enacted and effective on February 6, 2007 ("Council Bill No.  
18 2-2007"), (c) Council Bill No. 3-2007, enacted and effective on March 7, 2007 (the "2007 Bond Sale  
19 Ordinance"), and (d) Council Bill No. 50-2007, enacted and effective on August 1, 2007 ("Council Bill  
20 No. 50-2007") (e) Council Bill No. 1-2008, enacted and effective on February 5, 2008 (the "2008 Bond  
21 Sale Ordinance") ~~and~~ , (f) Council Bill No. 52-2008, enacted and effective on August 1, 2008 ("Council  
22 Bill No. 52-2008") and (g) Council Bill No. 55-2008, enacted and effective on October 15, 2008  
23 ("Council Bill No. 55-2008", and collectively with Council Bill No. 50-2006, Council Bill No. 2-2007,  
24 the 2007 Bond Sale Ordinance, Council Bill No. 50-2007, the 2008 Bond Sale Ordinance, Council Bill  
25 No. 52-2008, the Initial Note Ordinance and this Ordinance, the "Note Ordinance"), and the County has  
26 issued and reissued its Howard County, Maryland Consolidated Public Improvement Commercial Paper

1 Bond Anticipation Notes, Series D (the "Notes") on and after June 15, 2006, in order to finance the costs  
2 of certain capital projects described in the Note Ordinance. As of the date of introduction of this  
3 Ordinance, the maximum aggregate principal amount of the Notes authorized to be outstanding at any one  
4 time is \$150,000,000 and the actual principal amount of the Notes outstanding as of the date of  
5 introduction of this Ordinance is \$86,000,000.

6 The Notes have and will have maturities of not less than 1 day and not more than 270 days, as  
7 determined by the County in accordance with the Note Ordinance. Each of the Notes has been and will  
8 be reissued at its respective maturity, unless the County has theretofore determined to repay all or some  
9 portion of such Notes from proceeds of bonds then held by the County or from other funds, and each such  
10 reissuance is a renewal of such Note within the meaning of the Bond Anticipation Note Act. Notes may  
11 also be reissued to repay Advances under the Credit Agreement (both as hereinafter defined).  
12 Accordingly, the term "Notes" when used in this Ordinance shall include both the Notes originally issued,  
13 all Notes issued to repay maturing Notes and any Notes issued to repay Advances under the Credit  
14 Agreement.

15 In order to enhance the marketability of the Notes, the County and State Street Bank and Trust  
16 Company (the "Bank") entered into a Credit Agreement dated as of June 1, 2006, as supplemented by a  
17 First Amendment to Credit Agreement dated as of February 15, 2007 between the County and the Bank  
18 (collectively, the "Credit Agreement"), pursuant to which the Bank agreed to make advances (each, an  
19 "Advance") to an account of the County with Deutsche Bank Trust Company Americas (the "Issuing and  
20 Paying Agent") in the current aggregate amount of up to \$150,000,000 outstanding at any time, to provide  
21 funds for the payment of the principal of the Notes at their respective maturities.

22 The Notes were issued in anticipation of the issuance of the County's consolidated public  
23 improvement bonds and metropolitan district bonds, and the County has provided for the issuance of such  
24 bonds in one or more series by enacting County Bill No. 34-2006, enacted and effective on June 7, 2006,  
25 as supplemented by Council Bill No. 50-2006, Council Bill No. 1-2007, enacted and effective on  
26 February 6, 2007, the 2007 Bond Sale Ordinance ~~and~~ , Council Bill No. 50-2007, the 2008 Bond Sale

1 Ordinance, Council Bill No. 52-2008, Council Bill No. 55-2008, and Council Bill No. 17-2008, enacted  
2 and effective on May 8, 2008 (together with this Ordinance, collectively, the "Master Bond Ordinance").  
3 The Master Bond Ordinance provides that prior to the issuance of any series of such bonds, the County  
4 Council shall enact an ordinance supplemental thereto for such series of bonds to specify and provide for  
5 various matters in connection with the issuance and sale of such series of bonds, as provided in the Master  
6 Bond Ordinance.

7 The Consolidated Public Improvement Bond Enabling Laws and Section 2C of Article 31 of the  
8 Annotated Code of Maryland, as amended, provide that the issues of bonds so authorized, or portions  
9 thereof, may be consolidated with one another.

10 The County Council has determined that it is in the best interest of the County to issue and sell a  
11 portion of the issues of bonds authorized by the Consolidated Public Improvement Bond Enabling Laws  
12 as its Consolidated Public Improvement Bonds (the "Consolidated Public Improvement Bonds"), in the  
13 aggregate principal amount of \$125,000,000, or in such lesser principal amount as the County Executive  
14 of the County (the "County Executive") may specify in an Executive Order (each, an "Executive Order")  
15 executed and delivered at the time the Bonds (hereinafter defined) are sold to the purchaser or purchasers  
16 thereof in order to provide funds for (i) the payment of (A) the principal of all or a portion of the Notes, in  
17 an amount to be determined by the County Executive in an Executive Order (the "Refunded Notes"), and  
18 (B) if the principal of any of the Notes have been paid with proceeds of any Advances under the Credit  
19 Agreement, the payment of all or a portion of such outstanding Advances, as determined by the County  
20 Executive in an Executive Order (together with the Refunded Notes, the "Refunded Obligations"), all at  
21 the times specified in Section 4 of this Ordinance, (ii) the payment of other costs of Other Public  
22 Improvement Capital Projects (hereinafter defined), and (iii) the payment of costs, fees and expenses  
23 incurred in the issuance and sale of the Consolidated Public Improvement Bonds, to the extent such costs,  
24 fees and expenses are not paid from other sources, all as specified in an Executive Order. Accordingly,  
25 this Ordinance shall be a supplemental ordinance as described in the Master Bond Ordinance.

1           The proceeds of the Refunded Notes have been and will be applied to the purposes specified in  
2 Appendix I hereto and in the Note Ordinance, as supplemented and amended hereby, all as more  
3 particularly described herein.

4           By the Metropolitan District Bond Enabling Laws, the issues of bonds so authorized, or portions  
5 thereof, may be consolidated with one another, and the County Council has determined that it is in the  
6 best interest of the County to consolidate portions of the issues of bonds authorized by the Metropolitan  
7 District Bond Enabling Laws as its Metropolitan District Bonds, (the "Metropolitan District Bonds") in  
8 the aggregate principal amount of up to \$35,000,000 or in such lesser principal amount as the County  
9 Executive may specify in an Executive Order in order to provide funds for the payment of costs of the  
10 Metropolitan District Capital Projects (herein defined), and (ii) the payment of costs, fees and expenses  
11 incurred in the issuance and sale of the Metropolitan District Bonds, to the extent such costs, fees and  
12 expenses are not paid from other sources, as specified in an Executive Order.

13           In addition, the portion of the Consolidated Public Improvement Bonds to be issued to repay the  
14 Refunded Obligations which were used to pay or refinance the costs of the Public Improvement Capital  
15 Projects listed in Appendix IV (in the amounts set forth therein, as such projects and amounts may be  
16 revised in an Executive Order) are intended to be paid from building excise taxes and shall be payable by  
17 February 15, 2024, ~~as more particularly described in Section 4(c) of this Ordinance,~~ provided that such  
18 date may be changed by an Executive Order.

19           Also, a portion of the Consolidated Public Improvement Bonds to be issued to repay Refunded  
20 Obligations which were used to pay the costs of certain Public Improvement Capital Projects for school  
21 facilities and community college facilities are intended to be paid from school facilities surcharges and  
22 from revenues from Howard Community College fees, respectively.

23           Finally, in order to enable the bidders for the Consolidated Public Improvement Bonds and the  
24 Metropolitan District Bonds (collectively, the "Bonds") to comply with the requirements of paragraph  
25 (b)(5) of Securities and Exchange Commission Rule 15c2-12, it is necessary that the County enter into a  
26 contract to provide certain continuing disclosure information as required by that rule.

1           **Now, therefore, in accordance with the provisions of Article VI of the Charter of Howard**  
2 **County:**

3           **Section 1. Be it enacted by the County Council of Howard County, Maryland,** That all terms  
4 used herein which are defined in the Recitals hereof shall have the meanings given such terms therein.

5           **Section 2. Be it further enacted by the County Council of Howard County, Maryland,** That  
6 it is hereby found, determined and declared as follows:

7                   (1)     It is in the best interest of the County to issue the Consolidated Public  
8 Improvement Bonds pursuant to and in accordance with the Consolidated Public Improvement Bond  
9 Enabling Laws and the Master Bond Ordinance, in the aggregate principal amount of \$125,000,000, or  
10 such lesser principal amount as the County Executive may specify in an Executive Order, for the purpose  
11 of (a) paying the Refunded Obligations as described in Section 4 hereof, (b) defraying a portion of the  
12 costs of Public Improvement Capital Projects in Appendix II to the Note Ordinance not funded with  
13 proceeds of the Refunded Notes (the "Other Public Improvement Capital Projects") as described in  
14 Section 4 hereof; and for such purpose, Appendix II to the Note Ordinance, as heretofore and hereby  
15 modified, is hereby incorporated into this Ordinance by reference and made a part hereof, and (c) paying  
16 the costs of issuing the Consolidated Public Improvement Bonds, all to the extent such interest and costs  
17 are not payable from other sources, as specified in an Executive Order.

18                   (2)     It is also therefore in the best interest of the County to issue the Metropolitan  
19 District Bonds pursuant to and in accordance with the Metropolitan District Bond Enabling Laws, in the  
20 aggregate principal amount of \$35,000,000, or such lesser principal amount as the County Executive may  
21 specify in an Executive Order, for the purpose of (a) defraying a portion of the costs of the Howard  
22 County Capital Projects designated and described in Appendix II attached to the Note Ordinance and  
23 made a part thereof, and by reference, a part hereof, as having been authorized by the Metropolitan  
24 District Bond Enabling Laws (the "Metropolitan District Capital Projects") and (b) paying the costs of  
25 issuing the Metropolitan District Bonds, all to the extent such interest and costs are not payable from  
26 other sources, as specified in an Executive Order.

1                   (3)     The aggregate principal amount of the Bonds is within the legal limitation on the  
2 indebtedness of the County as set forth in Article VI of the Charter.

3                   (4)     In these volatile economic times, it is in the public interest to increase the  
4 County's flexibility with respect to the timing of a sale of the Bonds and to sell the Bonds of each issue on  
5 a negotiated basis without solicitation of bids, and the sale of the Bonds of each issue by such a private  
6 (negotiated) sale will provide significant benefits to the County which would not be achieved if the Bonds  
7 of such issue were sold at public sale.

8                   (5)     The County will provide for the award and sale of each issue of the Bonds to the  
9 purchaser thereof and various other matters relating to the issuance of the Bonds, including, among other  
10 things, the final aggregate principal amounts of the Consolidated Public Improvement Bonds (if less than  
11 \$125,000,000), and the Metropolitan District Bonds (if less than \$35,000,000), the final schedule of  
12 maturities of each issue, the rates of interest payable on the Bonds of each issue and maturity, the terms  
13 and conditions relating to any optional redemption or mandatory sinking fund redemption for each issue,  
14 and the purchase price of each issue of the Bonds (which may be either at, above or below par), by an  
15 Executive Order, which Executive Order shall be executed and delivered by the County Executive at the  
16 time each issue of the Bonds is to be awarded and sold to the purchaser or purchasers thereof.

17                   (6)     The probable remaining average useful life of (a) the Public Improvement  
18 Capital Projects financed and to be financed with the proceeds of the Refunded Notes and to be  
19 refinanced with the proceeds of the Consolidated Public Improvement Bonds, and (b) the Other Public  
20 Improvement Capital Projects (if any) is more than 25 years, and all of the Consolidated Public  
21 Improvement Bonds shall be payable within such probable average useful life.

22                   (7)     The probable remaining average useful life of the projects to be financed with the  
23 proceeds of the Metropolitan District Bonds is more than 35 years, and all of the Metropolitan District  
24 Bonds shall be payable within such probable average useful life.

25                   **Section 3. Be it further enacted by the County Council of Howard County, Maryland, (a)**  
26 That the County, pursuant to the authority contained in the Consolidated Public Improvement Bond



1 Enabling Laws, and in accordance with the Master Bond Ordinance, shall borrow upon the full faith and  
2 credit of the County and shall issue and sell upon the full faith and credit of the County \$125,000,000 in  
3 aggregate principal amount (or such lesser aggregate principal amount as may be specified in an  
4 Executive Order) of its bonds in registered form without coupons (the "Consolidated Public Improvement  
5 Bonds", and each such bond, a "Consolidated Public Improvement Bond"). The Consolidated Public  
6 Improvement Bonds shall be designated "Howard County, Maryland Consolidated Public Improvement  
7 Bonds, 2009 Series A" if the Consolidated Public Improvement Bonds are the first series of consolidated  
8 public improvement bonds issued by the County in calendar year 2009, and otherwise shall be as  
9 specified in an Executive Order.

10 (b) The date of issue of the Consolidated Public Improvement Bonds shall be the date of delivery  
11 of the Consolidated Public Improvement Bonds and the Metropolitan District Bonds to the purchaser or  
12 purchasers thereof (the "Dated Date"). The Consolidated Public Improvement Bonds shall be dated as of  
13 the Dated Date, shall be issued in book-entry form by issuing a single bond for each maturity registered in  
14 the name of Cede & Co., as nominee for The Depository Trust Company or its successor ("DTC")  
15 (provided that if DTC so requests or if DTC is replaced as the depository for the Consolidated Public  
16 Improvement Bonds, replacement bonds shall be issued in denominations of \$5,000 each or any integral  
17 multiple thereof), and shall be consecutively numbered in such manner as shall be determined by the  
18 Bond Registrar (as defined in Section 12 hereof).

19 (c) The date of the first maturity of the Consolidated Public Improvement Bonds shall be  
20 February 15, 2010 and the date of the last maturity of the Consolidated Public Improvement Bonds shall  
21 be February 15, 2029; provided that the date of the first maturity may be changed in an Executive Order  
22 to a different date not later than two years after the Dated Date and the date of the last maturity may be  
23 changed in an Executive Order to a different date not later than 25 years after the Dated Date, as specified  
24 in an Executive Order.

1           The Consolidated Public Improvement Bonds shall be issued in serial form or, if subject to  
2   mandatory sinking fund redemption, in term form, or in a combination of such forms, as specified in an  
3   Executive Order. The principal of the Consolidated Public Improvement Bonds shall be payable in  
4   consecutive annual installments in the amounts and on the dates set forth in Appendix III hereto, or in  
5   such other amounts or on such other dates as may be specified in an Executive Order.

6           (d)     The Consolidated Public Improvement Bonds shall bear interest at the rate or rates to be  
7   established upon the sale of the Bonds in accordance with Sections 15 and 16 of this Ordinance, and such  
8   interest shall be payable semiannually on each February 15 and August 15 after the Dated Date until and  
9   including the date of maturity or earlier redemption, provided that the first interest payment date for the  
10   Consolidated Public Improvement Bonds may be changed in an Executive Order.

11          (e)     Each Consolidated Public Improvement Bond shall bear interest from the interest payment  
12   date next preceding the date of registration and authentication of such Consolidated Public Improvement  
13   Bond, unless such Consolidated Public Improvement Bond is registered and authenticated on an interest  
14   payment date, in which case it shall bear interest from such interest payment date, or, unless authenticated  
15   prior to the first interest payment date, in which case it shall bear interest from the Dated Date, or unless,  
16   as shown by the records of the Bond Registrar, interest on such Consolidated Public Improvement Bond  
17   shall be in default, in which event such Consolidated Public Improvement Bond shall bear interest from  
18   the date to which interest was last paid on such Bond.

19          (f)     The Consolidated Public Improvement Bonds shall be in substantially the form of the  
20   Consolidated Public Improvement Bond attached hereto as Exhibit A and made a part hereof, and shall be  
21   completed in accordance with the provisions of this Ordinance and the applicable Executive Order, such  
22   form, with such changes therein as the County Executive shall approve (such approval to be conclusively  
23   evidenced by the execution and delivery of the Consolidated Public Improvement Bonds by the County  
24   Executive), together with all of the covenants and conditions therein contained, is hereby adopted by the

County as and for the form and tenor of the obligation to be incurred, and such covenants and conditions are hereby made binding upon the County, including the promise to pay therein contained.

**Section 4. Be it further enacted by the County Council of Howard County, Maryland, (a)**

That payment of the purchase price of the Consolidated Public Improvement Bonds shall be made to the Director of Finance of the County (the "Director of Finance") and all of such proceeds shall be set apart by her in an account or accounts to the credit of "Consolidated Public Improvement Loan, 2009 Series A" and shall be applied as follows:

(i) all or a portion of the proceeds of the Consolidated Public Improvement Bonds, as specified in an Executive Order, shall be applied first to the payment of the principal of the Refunded Notes on their first respective maturity dates on or after the Dated Date. In accordance with the Note Ordinance, the proceeds of the sale of the Refunded Notes have been or will be used, after payment of certain costs, fees and expenses incurred in the issuance thereof, to defray a portion of the costs of the Howard County Capital Projects which are designated and described in Appendix II attached to the Note Ordinance and made a part thereof and by reference, a part hereof, as having been authorized by the Consolidated Public Improvement Bond Enabling Laws (the "Public Improvement Capital Projects"). The actual cost of each such Public Improvement Capital Project which has been so defrayed from the proceeds of the sale of the Refunded Notes through November 19, 2008 is set forth in Appendix I hereto in the column captioned "Note Funded" for such Public Improvement Capital Project listed in Appendix I to this Ordinance.

(ii) The remaining proceeds of the Consolidated Public Improvement Bonds, if any, shall be applied (A) to the payment of costs, fees and expenses incurred in the issuance and sale of the Consolidated Public Improvement Bonds, to the extent such fees and costs and expenses are not paid from other sources, and (B) to defray a portion of the costs of Public Improvement Capital Projects in Appendix II to the Note Ordinance not funded with proceeds of the Refunded Notes (the "Other Public Improvement Capital Projects"); and for such purposes, Appendix II to the Note Ordinance, as heretofore modified, is hereby incorporated into this Ordinance by reference and made a part hereof. The actual

1 costs of the Other Public Improvement Capital Projects to be defrayed from the proceeds of the  
2 Consolidated Public Improvement Bonds, if any, shall be determined by the Director of Finance, provided  
3 that the amount so applied shall not exceed the difference between the amount set forth in Appendix II  
4 attached to the Note Ordinance and made a part hereof in the column captioned "Unsold Bonds" for the  
5 Other Public Improvement Capital Projects and the amount of proceeds of the Refunded Notes applied to  
6 defray costs of the Other Public Improvement Capital Projects.

7         However, in the event that it is determined after the enactment of this Ordinance and the initial  
8 application of the proceeds of the Consolidated Public Improvement Bonds as heretofore described in  
9 subsection (i) or subsection (ii) above that any of the amounts funded with proceeds of the Refunded  
10 Notes or the Consolidated Public Improvement Bonds should not have been funded with proceeds  
11 thereof, whether as a result of receipt of a grant for such amount or for any other reason, the Director of  
12 Finance is authorized to revise the use of such proceeds to pay any other costs of Other Public  
13 Improvement Capital Projects which could have been funded with the proceeds of the Refunded Notes or  
14 the Consolidated Public Improvement Bonds in accordance with the Note Ordinance and in accordance  
15 with this Ordinance; and for such purpose, Appendix II to the Note Ordinance, as heretofore modified, is  
16 hereby incorporated into this Ordinance by reference and made a part hereof. Any such revisions shall be  
17 made to any one or more of Public Improvement Capital Projects in such manner and in such amounts as  
18 the Director of Finance shall determine in her discretion.

19         (b) Notwithstanding the provisions of subsection (a) of this Section 4, no proceeds of the  
20 Consolidated Public Improvement Bonds will be applied in any way which would violate the covenants  
21 contained in Section 18 of this Ordinance.

22         (c) The costs of each Public Improvement Capital Project and each Other Public  
23 Improvement Capital Project (if any) shall include, without limitation, the cost of planning, design,  
24 construction, reconstruction, furnishing, equipping, improvements, renovations, remodeling,  
25 enlargements, engineering services, architects' services, surveys, landscaping, site development,  
26 evaluation studies, land acquisition and related items, appurtenances and incidental activities. The

1 estimated cost of such Public Improvement Capital Projects and the other sources of funds for such Public  
2 Improvement Capital Projects are set forth in Appendix II to the Note Ordinance, as heretofore modified,  
3 which appendix is incorporated herein by reference and made a part hereof. Such other sources of funds  
4 shall include, without limitation, the amount shown in the column captioned "Unsold Bonds" for each  
5 such Public Improvement Capital Project and such Other Public Improvement Capital Project (if any) as  
6 listed in Appendix II to the Note Ordinance, as heretofore and hereby modified, which amount shall be  
7 paid from prior or subsequent bond or bond anticipation note issues of the County, from such other  
8 sources as the County may hereafter determine, and, for the Other Public Improvement Capital Projects,  
9 from the proceeds of the Consolidated Public Improvement Bonds.

10 (d) The principal amount of the Consolidated Public Improvement Bonds to be issued to  
11 provide funds to pay the principal of the Refunded Notes which were used to pay a portion of the costs of  
12 the Public Improvement Capital Projects listed in Appendix IV to this Ordinance (the "Excise Tax-  
13 Funded Projects") (in the amounts set forth therein) are intended to be payable from building excise taxes  
14 and shall be payable from portions of the annual installments of the Consolidated Public Improvement  
15 Bonds maturing on February 15, 2010 to February 15, 2024, in the principal amounts and on the dates ~~set~~  
16 ~~forth in Appendix II hereto; provided that the list of Excise Tax Funded Projects and such principal~~  
17 ~~amounts and dates may be revised~~ to be specified in an Executive Order.

18 (e) Any remaining proceeds shall be used for (i) any fees, costs and expenses incurred in  
19 connection with the issuance of the Consolidated Public Improvement Bonds not paid in accordance with  
20 subsection (a)(ii) above, and (ii) the payment of interest on or the principal of the Consolidated Public  
21 Improvement Bonds, as the County shall determine in its sole discretion.

22 **Section 5. Be it further enacted by the County Council of Howard County, Maryland, That**  
23 for the purpose of paying the interest on the Consolidated Public Improvement Bonds when due and the  
24 principal thereof when they respectively mature and are payable, there is hereby levied and there shall  
25 hereafter be levied in each fiscal year that any of the Consolidated Public Improvement Bonds are  
26 outstanding, ad valorem taxes on real and tangible personal property and intangible property subject to

1   taxation by the County without limitation of rate or amount and, in addition, upon such other intangible  
2   property as may be subject to taxation by the County within limitations prescribed by law, in an amount  
3   sufficient, together with funds available from other sources (including, without limitation, to the building  
4   excise taxes, school facilities surcharges and revenues from Howard Community College fees, all to the  
5   extent provided in the Consolidated Public Improvement Bond Enabling Laws), to pay the annual interest  
6   (payable in the manner set forth herein) on the outstanding Consolidated Public Improvement Bonds and  
7   to pay the principal of the Consolidated Public Improvement Bonds maturing during the succeeding year;  
8   and the full faith and credit and the unlimited taxing power of the County are hereby irrevocably pledged  
9   to the punctual payment of the principal of and interest on the Consolidated Public Improvement Bonds  
10   as and when the same respectively mature.

11       **Section 6. Be it further enacted by the County Council of Howard County, Maryland,** That  
12   no Refunded Notes shall be reissued on or after the Dated Date, and the County shall pay from the  
13   proceeds of the Consolidated Public Improvement Bonds (a) the principal of all of the then-outstanding  
14   Refunded Notes, in accordance with the Note Ordinance, on their first respective maturity dates on or  
15   after the Dated Date (which maturity dates shall not be later than 90 days after the Dated Date), and (b)  
16   the principal of all other Refunded Obligations as soon as practicable after the Dated Date but in no event  
17   more than 90 days after the Dated Date.

18       **Section 7. Be it further enacted by the County Council of Howard County, Maryland,** That  
19   the County, pursuant to the authority contained in the Metropolitan District Bond Enabling Laws, shall  
20   borrow upon the full faith and credit of the County and shall issue and sell upon the full faith and credit of  
21   the County \$35,000,000 in aggregate principal amount (or such lesser aggregate principal amount as may  
22   be specified in an Executive Order) of its bonds in registered form without coupons (the "Metropolitan  
23   District Bonds", and each such bond, a "Metropolitan District Bond"). The Metropolitan District Bonds  
24   shall be designated "Howard County, Maryland Metropolitan District Bonds, 2009 Series A" if the  
25   Metropolitan District Bonds are the first series of Metropolitan District Bonds issued by the County in

1 calendar year 2009, and otherwise shall be as specified in an Executive Order. The date of issue of the  
2 Metropolitan District Bonds shall be the Dated Date.

3 The Metropolitan District Bonds shall be dated as of the Dated Date, shall be issued in book-entry  
4 form by issuing a single bond for each maturity registered in the name of Cede & Co., as nominee for  
5 DTC (provided that if DTC so requests or if DTC is replaced as the depository for the Metropolitan  
6 District Bonds, replacement bonds shall be issued in denominations of \$5,000 each or any integral  
7 multiple thereof), and shall be consecutively numbered in such manner as shall be determined by the  
8 Bond Registrar.

9 The date of the first maturity of the Metropolitan District Bonds shall be February 15, 2010, and  
10 the date of the last maturity of the Metropolitan District Bonds shall be February 15, 2038 if the Dated  
11 Date is prior to February 15, 2009 and shall be February 15, 2039 if the Dated Date is on or after  
12 February 15, 2009; provided that the date of the first maturity may be changed in an Executive Order to a  
13 different date not later than two years after the Dated Date and the date of the last maturity may be  
14 changed in an Executive Order to a different date not later than 30 years after the Dated Date, as specified  
15 in an Executive Order.

16 The Metropolitan District Bonds shall be issued in serial form or, if subject to mandatory sinking  
17 fund redemption, in term form, or in a combination of such forms, as specified in an Executive Order.  
18 The principal of the Metropolitan District Bonds shall be payable in consecutive annual installments in  
19 the principal amounts and on the dates set forth in Appendix III hereto, or in such other amounts or such  
20 other dates as may be specified in an Executive Order.

21 (d) The Metropolitan District Bonds shall bear interest at the rate or rates to be established by  
22 negotiation in accordance with Section 14 of this Ordinance, and such interest shall be payable  
23 semiannually on each February 15 and August 15 after the Dated Date until and including the date of  
24 maturity or earlier redemption, provided that the first interest payment date for the Metropolitan District  
25 Bonds may be changed in an Executive Order.

1           (e)     Each Metropolitan District Bond shall bear interest from the interest payment date next  
2 preceding the date of registration and authentication of such Metropolitan District Bond, unless such  
3 Metropolitan District Bond is registered and authenticated on an interest payment date, in which case it  
4 shall bear interest from such interest payment date, or, unless authenticated prior to the first interest  
5 payment date, in which case it shall bear interest from the Dated Date, or unless, as shown by the records  
6 of the Bond Registrar, interest on such Metropolitan District Bond shall be in default, in which event such  
7 Metropolitan District Bond shall bear interest from the date to which interest was last paid on such  
8 Metropolitan District Bond.

9           (f)     The Metropolitan District Bonds shall be in substantially the form of Metropolitan  
10 District Bond attached hereto as Exhibit B and made a part hereof, and shall be completed in accordance  
11 with the provisions of this Ordinance and the Executive Order. Such form, with such changes therein as  
12 the County Executive shall approve (such approval to be conclusively evidenced by the execution and  
13 delivery of the Metropolitan District Bonds by the County Executive), together with all of the covenants  
14 and conditions therein contained, is hereby adopted by the County as and for the form and tenor of the  
15 obligation to be incurred, and such covenants and conditions are hereby made binding upon the County,  
16 including the promise to pay therein contained.

17           **Section 8. Be it further enacted by the County Council of Howard County, Maryland, That**  
18 payment of the purchase price of the Metropolitan District Bonds shall be made to the Director of Finance  
19 and all of such proceeds shall be set apart by her in an account or accounts to the credit of "Metropolitan  
20 District Loan, 2009 Series A" and shall be applied as follows:

21           (a) The Director of Finance (i) shall pay from such account or accounts all costs, fees and  
22 expenses incurred in the issuance and sale of the Metropolitan District Bonds, to the extent such fees,  
23 costs and expenses are not paid from other sources, and (ii) shall disburse the balance of the purchase  
24 price, excluding accrued interest paid by the purchaser of the Metropolitan District Bonds (which shall be  
25 applied as set forth in (b) below), to defray a portion of the costs of the Metropolitan District Capital  
26 Projects. The actual costs of each such Metropolitan District Capital Project to be defrayed from the



proceeds of the Metropolitan District Bonds shall be determined by the Director of Finance, provided that (i) the amount to be applied to any Metropolitan District Capital Project shall not exceed the amount shown in the column captioned "Unsold Bonds" for such Metropolitan District Capital Project listed in Appendix II to the Note Ordinance, (ii) to the extent that the proceeds of the Metropolitan District Bonds applied to defray the costs of each Metropolitan District Capital Project are less than the amount described in (i) above, the difference shall be paid from prior or subsequent bond or bond anticipation note issues of the County or from such other sources as the County may hereafter determine, and (iii) no proceeds of the Metropolitan District Bonds will be applied in any way which would violate the covenants contained in Section 18 of this Ordinance. However, in the event that it is determined after the enactment of this Ordinance and the initial application of the proceeds of the Metropolitan District Bonds as heretofore described in this subsection (a) that any of the amounts funded with proceeds of the Metropolitan District Bonds should not have been funded with proceeds thereof, whether as a result of receipt of a grant for such amount or for any other reason, the Director of Finance is authorized to revise the use of such proceeds to pay any other costs of Metropolitan District Capital Projects which could have been funded with the proceeds of the Metropolitan District Bonds in accordance with this Ordinance.

(b) The costs of each Metropolitan District Capital Project include, without limitation, the cost of planning, design, construction, reconstruction, furnishing, equipping, improvements, renovations, remodeling, enlargements, engineering services, architects' services, surveys, landscaping, site development, evaluation studies, land acquisition and related items, appurtenances and incidental activities. The estimated cost of the Metropolitan District Capital Projects and the other sources of funds for such capital projects are set forth in Appendix II attached to the Note Ordinance and made a part thereof, and by reference, a part hereof. The probable average useful life of the Metropolitan District Capital Projects is more than 35 years, and all of the Metropolitan District Bonds issued hereunder will be payable within such period.

1 (c) Any remaining proceeds shall be used for (i) costs, fees and expenses incurred in connection  
2 with the issuance of the Metropolitan District Bonds, and (ii) the payment of interest on or the principal of  
3 the Metropolitan District Bonds, as the County shall determine in its sole discretion.

4 **Section 9. Be it further enacted by the County Council of Howard County, Maryland,** That  
5 for the purpose of paying the interest on the Metropolitan District Bonds when due and the principal  
6 thereof when they respectively mature and are payable, there is hereby levied and there shall hereafter be  
7 levied in each fiscal year that any of the Metropolitan District Bonds are outstanding, ad valorem taxes on  
8 real and tangible personal property and intangible property subject to taxation by the County without  
9 limitation of rate or amount and, in addition, upon such other intangible property as may be subject to  
10 taxation by the County within limitations prescribed by law, in an amount sufficient, together with benefit  
11 assessments, ad valorem taxes upon assessable property in the Metropolitan District and other available  
12 funds, to pay the annual interest (payable in the manner set forth herein) on the outstanding Metropolitan  
13 District Bonds and to pay the principal of the Metropolitan District Bonds maturing during the succeeding  
14 year; and the full faith and credit and the unlimited taxing power of the County are hereby irrevocably  
15 pledged to the punctual payment of the principal of and interest on the Metropolitan District Bonds as and  
16 when the same respectively mature.

17 **Section 10. Be it further enacted by the County Council of Howard County, Maryland,** That  
18 the Bonds shall be signed by the County Executive and by the Director of Finance by manual or facsimile  
19 signature, and the Bonds shall bear the corporate seal of the County, or a facsimile thereof, attested by the  
20 manual or facsimile signature of the Chief Administrative Officer of the County (the "Chief  
21 Administrative Officer"). In the event that any officer whose signature shall appear on the Bonds shall  
22 cease to be such officer before the delivery of the Bonds, such signature shall nevertheless be valid and  
23 sufficient for all purposes, the same as if such officer had remained in office until delivery.

24 **Section 11. Be it further enacted by the County Council of Howard County, Maryland,** (a)  
25 That the County Executive is hereby authorized to make such modifications to the forms of the Bonds as  
26 may be appropriate to conform to any standard specifications for registered municipal securities which

1 may be promulgated by any body generally recognized in the municipal securities industry (including,  
2 without limitation, the American National Standards Institute) in order to facilitate computer or other  
3 mechanical processing methods for registration of municipal bonds.

4 (b) The County Executive shall also initiate a system for registration of the Bonds of both issues  
5 in book-entry form and is hereby authorized to enter into such agreements and to make such  
6 modifications to the forms of the Bonds as may be necessary to provide for registration of the Bonds of  
7 both issues in book-entry form, with DTC, by issuance of not less than one bond of each maturity.

8 (c) The County Executive may replace any depository for the Bonds pursuant to a book-entry  
9 registration system established in accordance with this Section if the County Executive determines that  
10 such depository is incapable of discharging its duties with respect to the Bonds, or that the interest of the  
11 beneficial owners of the Bonds might be adversely affected by the continuation of such book-entry  
12 system. Notice of such determination shall be given to such depository not less than 30 days prior to any  
13 such determination. Thereafter, the County Executive may issue replacement Bonds to a substitute  
14 securities depository, to participants of a securities depository to be replaced or to beneficial owners of  
15 the Bonds properly identified by such participants.

16 (d) When the County Executive initiates a book entry registration system to be maintained by  
17 DTC or replaces DTC with another municipal securities depository (either a "Depository"), the County  
18 Executive shall rely on the Blanket Letter of Representations from the County to DTC dated March 20,  
19 1997 or execute and deliver to the Depository any other or additional representation letters as shall be  
20 deemed necessary or appropriate by the County Executive or other agreements then required by the  
21 Depository in order to qualify the Bonds for registration in book-entry form by the Depository. The  
22 County Executive is hereby authorized to agree to any different manner for the payment of interest or  
23 principal or any different procedures for the redemption of bonds which is determined in accordance with  
24 any representation letters entered into with any Depository. Transfer or crediting of the appropriate  
25 principal and interest to the participants in the Depository will be the responsibility of the Depository, and  
26 transfer and crediting of principal and interest payments to the beneficial owners of the Bonds or their

1 nominees will be the responsibility of the participants in the Depository. Transfers of beneficial  
2 ownership of the Bonds will be effected on the records of the Depository (and its participants) pursuant to  
3 rules and procedures established by the Depository.

4 (e) Any securities depository selected in accordance with this Ordinance and each of its  
5 participants and the beneficial owners of the Bonds, by their acceptance of the Bonds shall agree that the  
6 County and the County Executive shall have no liability for the failure of any such securities depository  
7 which may be selected as herein provided to perform its obligations to the participants and the beneficial  
8 owners of the Bonds, nor shall either the County or the County Executive be liable for the failure of any  
9 participant or other nominee of the beneficial owners to perform any obligation the participant may incur  
10 to a beneficial owner of the Bonds.

11 **Section 12. Be it further enacted by the County Council of Howard County, Maryland, That**  
12 the Director of Finance is hereby designated and appointed as bond registrar, paying agent and  
13 authenticating agent for the Bonds (the "Bond Registrar"). The Bond Registrar shall maintain books of  
14 the County for the registration and transfer of the Bonds. No Bonds may be registered to bearer. In  
15 addition, the County may from time to time, either prior to or following the issuance of the Bonds,  
16 designate and appoint the Department of Finance of the County, any officer or employee of the County or  
17 one or more banks, trust companies, corporations or other financial institutions to act as a substitute or  
18 alternate bond registrar, paying agent or authenticating agent for the Bonds, and any such substitute or  
19 alternate shall be deemed to be the Bond Registrar or an alternate Bond Registrar for all purposes  
20 specified in the resolution appointing such substitute or alternate. Any such appointment shall be made  
21 by the County Council by resolution; and the exercise of such power of appointment, no matter how  
22 often, shall not be an exhaustion thereof.

23 **Section 13. Be it further enacted by the County Council of Howard County, Maryland, That**  
24 the Bonds shall be authenticated and shall be subject to registration, exchange and transfer as follows:

25 (a) No Consolidated Public Improvement Bond or Metropolitan District Bond shall be valid or  
26 obligatory for any purpose unless and until the certificate of authentication substantially in the form set

1 forth in, respectively, Exhibit A or Exhibit B hereto shall have been duly executed by the Bond Registrar,  
2 and such executed certificate of the Bond Registrar upon any such Bond shall be conclusive evidence that  
3 such Bond has been authenticated and delivered pursuant to this Ordinance. The Bond Registrar's  
4 certificate of authentication on any Bond shall be deemed to have been executed by it if manually signed  
5 by an authorized signer of the Bond Registrar, but it shall not be necessary that the same person sign the  
6 certificate of authentication on all of the Bonds issued hereunder.

7 (b) Each Bond shall be transferable only upon the books of the County maintained by the Bond  
8 Registrar, at the written request of the registered owner thereof or his attorney duly authorized in writing,  
9 but no Bond will be transferred unless DTC determines to discontinue providing its services as a  
10 securities depository or directs that such Bonds be reregistered in a different name, or unless DTC is  
11 removed as the Depository. Any such transfer of such Bond shall be made, upon surrender thereof,  
12 together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the  
13 registered owner or his attorney duly authorized in writing. Upon the surrender for transfer of any Bond,  
14 the County shall issue, and the Bond Registrar shall authenticate, in the name of the transferee, in  
15 authorized denominations, a new Bond or Bonds of the same issue and aggregate principal amount and of  
16 the same form and tenor as the surrendered Bond. If any Bond is presented for such purpose at the  
17 principal office of the Bond Registrar, the Bond Registrar shall register or cause to be registered in the  
18 Bond Register and permit to be transferred thereon, under such reasonable regulations as the County or  
19 the Bond Registrar may prescribe, any Bond entitled to registration or transfer. So long as any of the  
20 Bonds remain outstanding, the County shall cooperate in making all necessary provisions to permit the  
21 exchange of Bonds at the principal office of the Bond Registrar.

22 The County and the Bond Registrar may deem and treat the person in whose name any Bond shall  
23 be registered upon the books of the County as the absolute owner of such Bond, whether such Bond shall  
24 be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and  
25 premium, if any, and interest on such Bond and for all other purposes, and all such payments so made to  
26 any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the

1 liability upon such Bond to the extent of the sum or sums so paid, and neither the County nor the Bond  
2 Registrar shall be affected by any notice to the contrary.

3 The Bonds, upon surrender thereof at the principal office of the Bond Registrar with a written  
4 instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or his  
5 duly authorized attorney, may, at the option of the registered owner thereof, be exchanged for an equal  
6 aggregate principal amount of Bonds of the same issue and maturity and of any other authorized  
7 denominations.

8 In all cases in which the privilege of exchanging Bonds or transferring Bonds is exercised, the  
9 County shall execute and the Bond Registrar shall authenticate and deliver Bonds in accordance with the  
10 provisions of this Ordinance. All Bonds surrendered in any such exchanges or transfers shall forthwith be  
11 canceled by the Bond Registrar. For every such exchange or transfer of Bonds, the County or the Bond  
12 Registrar shall make a charge for any tax or other governmental charge required to be paid with respect to  
13 such exchange or transfer. Such charge shall be paid by the person requesting such exchange or transfer  
14 as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Bond  
15 Registrar shall not be obligated to make any such exchange or transfer of Bonds during the 15 days next  
16 preceding an interest payment date on the Bonds, or in case of any proposed redemption of the Bonds,  
17 during the 15 days next preceding the date of the mailing of notice of such redemption. The Bond  
18 Registrar shall not be required to make any transfer or exchange of any Bonds called for redemption.

19 (c) In the event any Bond is mutilated, lost, stolen or destroyed, the County may execute and the  
20 Bond Registrar may authenticate a new Bond of like date, maturity, interest rate and denomination as that  
21 of the Bond mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Bonds, such  
22 mutilated Bonds shall first be surrendered to the Bond Registrar, and in the case of any lost, stolen or  
23 destroyed Bond there shall be first furnished to the County and the Bond Registrar evidence of such loss,  
24 theft or destruction satisfactory to the County and the Bond Registrar, together with indemnity  
25 satisfactory to them. In the event any such Bond shall be about to mature or have matured or been called  
26 for redemption, instead of issuing a duplicate Bond the Bond Registrar may pay the same without

surrender thereof. The County and the Bond Registrar may charge the registered owner of such Bond their expenses and reasonable fees, if any, in this connection.

**Section 14. Be it further enacted by the County Council of Howard County, Maryland,** That certain of the Bonds may be subject to redemption prior to maturity. The Bonds so subject to redemption, if any, the redemption dates and the redemption prices shall be specified in an Executive Order.

(b) The Bonds shall be redeemed only in integral multiples of \$5,000. If less than all of the outstanding Consolidated Public Improvement Bonds or Metropolitan District Bonds shall be called for optional redemption, the County shall choose the maturities of the Consolidated Public Improvement Bonds or Metropolitan District Bonds to be redeemed and the principal amount of each such maturity to be redeemed, in its sole discretion. If less than all of the Consolidated Public Improvement Bonds or Metropolitan District Bonds of any one maturity shall be called for optional redemption, then the particular Consolidated Public Improvement Bonds or Metropolitan District Bonds (whichever are to be redeemed) of such maturity, or portions of such Consolidated Public Improvement Bonds or Metropolitan District Bonds, to be so redeemed shall be chosen by DTC in accordance with its normal and customary procedures (so long as the Bonds are in book-entry form) or, if the book-entry form has been discontinued, by lot by the Bond Registrar in such manner as the Bond Registrar, in her discretion, shall determine; and, for an optional redemption, if such maturity consists of Term Bonds, the County shall choose the mandatory sinking fund redemption installments of such Term Bonds to be reduced and the amount of each such reduction, in its sole discretion.

(c) Unless notice of redemption shall be waived in writing by the registered owners of the Bonds to be redeemed, a notice calling for redemption of the Bonds to be redeemed shall be mailed by the Bond Registrar, not less than 30 days nor more than 45 days prior to the date fixed for redemption (the "Redemption Date"), to all registered owners of the Bonds to be redeemed (as a whole or in part), at their last addresses appearing on the registration books kept by the Bond Registrar, by first-class mail, postage prepaid (provided, however, that, so long as all of the Bonds are registered in the name of Cede & Co., as nominee for DTC, such notice shall be given by a secure means (e.g. legible facsimile transmission,

1 registered or certified mail or overnight express delivery) in a timely manner designed to assure that such  
2 notice is in DTC's possession no later than the close of business on such thirtieth day); but failure to mail  
3 or deliver any such notice or any defect in the notice so mailed or delivered, or in the mailing or delivery  
4 thereof, shall not affect the validity of any redemption proceedings. Such notice shall specify the issue,  
5 CUSIP numbers and maturities of the Bonds to be redeemed (as a whole or in part), the date of the notice,  
6 the Redemption Date, the redemption price, and the name, address and telephone number of the Bond  
7 Registrar and shall further state that, on the Redemption Date, the Bonds called for redemption will be  
8 due and become payable at the office of the Bond Registrar, and that, from and after the Redemption  
9 Date, interest thereon shall cease to accrue. The Bond Registrar will use its best efforts to mail a second  
10 notice of redemption to registered owners of Bonds who have not presented their Bonds for redemption  
11 60 days after the Redemption Date.

12 (d) On the Redemption Date, notice having been mailed or waived and moneys for the  
13 payment of the redemption price plus accrued interest being held by the Bond Registrar, the Bonds (or  
14 portions thereof) so called for redemption shall become due and payable at the redemption price provided  
15 for redemption of such Bonds (or such portions thereof) on the Redemption Date, interest on such Bonds  
16 so called for redemption shall cease to accrue and the holders or registered owners of such Bonds (or  
17 such portions thereof) so called for redemption shall have no rights in respect thereto except to receive  
18 payment of the redemption price thereof, plus accrued interest thereon to the Redemption Date from such  
19 moneys held by the Bond Registrar.

20 (e) If it is determined that a portion, but not all of the principal amount represented by any  
21 Bond is to be called for redemption, then upon notice of intention to redeem such portion, the registered  
22 owner of such Bond shall forthwith surrender such Bond to the Bond Registrar (i) for payment of the  
23 redemption price (including the premium, if any, and interest to the Redemption Date) of the portion of  
24 the principal amount thereof called for redemption and (ii) in exchange for a new Bond of the  
25 unredeemed balance of the principal amount of such Bond, and having the same form and tenor as such  
26 Bond; provided, however, that, so long as Cede & Co. is the registered owner of all of the Bonds, DTC



1 may make an appropriate notation on the applicable Bonds indicating the date and amounts of such  
2 reduction in principal and notify the County in writing of such action. If the Bonds are required to be  
3 surrendered to the Bond Registrar, new Bonds representing the unredeemed balance of the principal  
4 amount of such Bond shall be issued to the registered owner thereof without charge therefor. If the  
5 registered owner of any such Bond shall fail to present such Bond to the Bond Registrar for payment and  
6 exchange as aforesaid, such Bond shall nevertheless become due and payable on the date fixed for  
7 redemption to the extent of the portion of the principal amount called for redemption (and to that extent  
8 only). Interest shall cease to accrue on the portion of the principal amount of such Bond called for  
9 redemption on and after the Redemption Date, and no new Bonds shall be thereafter issued corresponding  
10 to such portion.

11 **Section 15. Be it further enacted by the County Council of Howard County, Maryland,**  
12 That the Consolidated Public Improvement Bonds and the Metropolitan District Bonds may be each sold  
13 for a price at, above, or below par. The Bonds of each issue shall be sold on a negotiated basis without  
14 solicitation of bids, and such procedure for the sale of each issue of the Bonds is hereby determined to be  
15 in the public interest and to provide significant benefits to the County which would not be achieved if the  
16 Bonds of either issue were sold at public sale. Notwithstanding the foregoing, if the County Executive  
17 finds and determines in an Executive Order after the enactment of this Ordinance that a public sale of  
18 either or both issues of the Bonds would be more beneficial to the County, the Bonds of either or both  
19 issues shall be sold at public sale as provided in such Executive Order.

20 **Section 16. Be it further enacted by the County Council of Howard County, Maryland, That**  
21 each issue of the Bonds shall be awarded and sold to the purchaser or purchasers thereof by an Executive  
22 Order. Such Executive Order shall also (a) provide for the County Executive to approve and execute on  
23 behalf of the County one or more bond purchase agreements or similar contracts for the purchase and sale  
24 of the Bonds of each issue to the purchaser or purchasers thereof, if applicable (and the execution of such  
25 bond purchase agreements is hereby expressly authorized), (b) specify the final principal amount of the  
26 Bonds of each series and the final maturities, interest rates, redemption provisions and other terms and

1 provisions of the Bonds of each series, (c) approve the Official Statement of the County to be prepared in  
2 connection with the issuance and sale of the Bonds (the "Official Statement"), (d) provide for the  
3 execution, issuance and distribution of the Official Statement in connection with the sale of the Bonds,  
4 and (e) make all other changes and additions to the transaction provided for in this Ordinance which are  
5 described and provided for herein; and the Executive Order may also do any and all other things  
6 necessary, proper or expedient in connection with the issuance, sale and delivery of any one or more  
7 issues of the Bonds and in order to accomplish the public purposes of the Bond Enabling Laws and this  
8 Ordinance, subject to the limitations set forth therein and herein.

9 **Section 17. Be it further enacted by the County Council of Howard County, Maryland, (a)**

10 That until the definitive Bonds are prepared, the County may sign, in the same manner as is provided in  
11 Section 10 of this Ordinance, and the Bond Registrar shall authenticate and deliver, one or more  
12 temporary Bonds. Such temporary Bonds shall be subject to the same provisions, limitations and  
13 conditions as the definitive Bonds and shall be substantially of the tenor of the definitive Bonds in place  
14 of which such temporary Bonds are issued in the denominations authorized by the County, and with such  
15 omissions, insertions and variations as may be appropriate for temporary Bonds. The County shall  
16 prepare and execute and, upon the surrender of such temporary Bonds, shall deliver in exchange therefor  
17 definitive Bonds of the same aggregate principal amount and maturity as the temporary Bonds  
18 surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same  
19 benefits and security as definitive Bonds issued pursuant to this Ordinance.

20 (b) If the County shall authorize the issuance of temporary Bonds in more than one denomination,  
21 the registered owner of any temporary Bond or Bonds, at his option, may surrender such Bond to the  
22 Bond Registrar in exchange for another temporary Bond or Bonds of like aggregate principal amount and  
23 maturity of any other authorized denomination or denominations, and thereupon the County shall execute  
24 and the Bond Registrar, in exchange for the temporary Bond or Bonds so surrendered and upon payment  
25 of the taxes, fees and charges provided for in Section 13 of this Ordinance, shall authenticate and deliver a

1 temporary Bond or Bonds of like aggregate principal amount, series and maturity in such other authorized  
2 denomination or denominations as shall be requested by such owner.

3 (c) All temporary Bonds surrendered in exchange either for another temporary Bond or Bonds or  
4 for a definitive Bond or Bonds shall be forthwith canceled by the Bond Registrar.

5 **Section 18. Be it further enacted by the County Council of Howard County, Maryland, That**  
6 the County covenants and agrees with the registered owners from time to time of the Bonds as follows:

7 (a) The County covenants that it will not make any use of the proceeds of any of the Bonds or any  
8 moneys, securities or other obligations on deposit to the credit of the County or otherwise which may be  
9 deemed by the Internal Revenue Service to be proceeds of any of the Bonds pursuant to the Internal  
10 Revenue Code of 1986, as amended, and Income Tax Regulations thereunder (collectively, the "Code"),  
11 which would cause any of the Bonds to be "arbitrage bonds" or "private activity bonds" within the  
12 meaning of the Code.

13 (b) The County further covenants that it will comply with those provisions of the Code which are  
14 applicable to the Bonds on the date of issuance of the Bonds and which may subsequently lawfully be  
15 made applicable to the Bonds. To the extent that provisions of the Code apply to only a portion of the  
16 Bonds, proceeds of the Bonds or other moneys, securities or other obligations deemed to be proceeds, it is  
17 intended that the covenants of the County contained in this Section 18 be construed so as to require the  
18 County to comply with the provisions of the Code only to the extent of such applicability.

19 (c) The County further covenants that it will not (i) take any action, (ii) fail to take any action, or  
20 (iii) make any use of the proceeds of any of the Bonds which would cause the interest on any of the  
21 Bonds to be or become includible in the gross income of the holders thereof for purposes of federal  
22 income taxation.

23 **Section 19. Be it further enacted by the County Council of Howard County, Maryland, That**  
24 in order to enable the bidders for the Bonds to comply with the requirements of paragraph (b)(5) of  
25 Securities and Exchange Commission Rule 15c2-12 (the "Rule"), the County shall execute and deliver, on  
26 or before the date of issuance and delivery of the Bonds, a Continuing Disclosure Agreement (the

1 "Continuing Disclosure Agreement") for the benefit of the holders of the Bonds. The Continuing  
2 Disclosure Agreement sets forth the means by which the County will file and disseminate information  
3 required to be provided under the Rule, either by an agent retained pursuant to a requirement contract or  
4 by the County itself. The Continuing Disclosure Agreement shall be in substantially the form attached  
5 hereto as Exhibit C, with such changes therein as the County Executive approve (such approval to be  
6 conclusively evidenced by the execution and delivery of the Continuing Disclosure Agreement by the  
7 County Executive), and in such form the Continuing Disclosure Agreement is hereby approved.

8 **Section 20. Be it further enacted by the County Council of Howard County, Maryland, (a)**

9 That this ordinance shall be supplemental to the Master Bond Ordinance and shall be a "Supplemental  
10 Ordinance" as defined therein; provided, however, that to the extent that any of the terms and provisions  
11 of this Ordinance conflict with the terms and provisions of the Master Bond Ordinance, the terms and  
12 provisions of this Ordinance shall control.

13 (b) It is hereby found and determined that the modification and supplementation of the Master  
14 Bond Ordinance, as provided herein, is in the best interest of the County and is not adverse to the interests  
15 of the holders of the Notes.

16 (c) Except as hereby or heretofore supplemented, the Master Bond Ordinance shall remain in full  
17 force and effect; and the Master Bond Ordinance, as so modified and supplemented, is ratified and  
18 confirmed.

19 (d) On and after the date of enactment hereof, all references to "Bond Ordinance" in the Note  
20 Ordinance or the Master Bond Ordinance shall mean the Master Bond Ordinance as supplemented  
21 hereby.

22 **Section 21. Be it further enacted by the County Council of Howard County, Maryland, That**  
23 this Ordinance shall take effect on the date of its enactment.

EXHIBITS AND APPENDICES

EXHIBIT A - Form of Consolidated Public Improvement Bonds

EXHIBIT B - Form of Metropolitan District Bonds

EXHIBIT C - Form of Continuing Disclosure Agreement

APPENDIX I - Schedule of Public Improvement Capital Projects Funded from Proceeds of the Refunded Notes through November 19, 2008, including Amounts so Funded

APPENDIX II - Schedule of Projected Annual Payment Amounts and Payment Dates for Consolidated Public Improvement Bonds

APPENDIX III - Schedule of Projected Annual Payment Amounts and Payment Dates for Metropolitan District Bonds

APPENDIX IV - Schedule of Excise Tax-Funded Projects

~~———— The Exhibits and appendices listed above were still in the process of being finalized when this Bill was prefiled. The substantially final forms of such Exhibits and Appendices will be added by an amendment to this Bill prior to its being voted upon by the County Council.~~

**Exhibit A**

**Form of Consolidated Public Improvement Bond**

No. R-\_\_\_\_

\$\_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF MARYLAND  
HOWARD COUNTY, MARYLAND  
CONSOLIDATED PUBLIC IMPROVEMENT BOND  
2009 SERIES [A]

| <u>Interest Rate</u> | <u>Date of Issue</u> | <u>Maturity Date</u> | <u>CUSIP</u> |
|----------------------|----------------------|----------------------|--------------|
| ____%                | (Date of Delivery)   | [February 15,] ____  | _____        |

Registered Owner: CEDE & CO.

Principal Amount:

HOWARD COUNTY, MARYLAND, a body politic and corporate, organized and existing under the Constitution and laws of the State of Maryland (the "County"), for value received, hereby promises to pay to the Registered Owner of this bond as set forth above, or registered assigns, the Principal Amount shown hereon on the Maturity Date shown hereon (or earlier as provided herein) and to pay interest on such Principal Amount from and including the interest payment date next preceding the date of registration and authentication of this bond, unless this bond is registered and authenticated as of an interest payment date, in which case it shall bear interest from such interest payment date, or unless this bond is registered and authenticated prior to [August 15, 2009], in which event this bond shall bear interest from the Date of Issue shown hereon, or unless, as shown by the records of the Bond Registrar (hereinafter defined), interest on this bond shall be in default, in which event this bond shall bear interest from the date on which interest was last paid on this bond, at the Interest Rate per annum shown hereon, payable on [August 15, 2009] and semiannually thereafter on each February 15 and August 15 until maturity or earlier redemption.

Both the principal of and interest on this bond are payable in lawful money of the United States of America, at the time of payment. Payment of the principal on this bond shall be made upon presentation and surrender hereof at the principal office of the Director of Finance of the County, or her successor as bond registrar (the "Bond Registrar"). Payment of interest on this bond shall be made by the Bond Registrar on each interest payment date to the person appearing on the registration books of the County maintained by the Bond Registrar as the registered owner hereof, by check or draft mailed to such registered owner at his or her address as it appears on such registration books.

This bond is one of an issue of bonds of the County in the aggregate principal amount of \$\_\_\_\_\_, all dated as of the Date of Issue shown hereon, and known as "Howard County, Maryland Consolidated Public Improvement Bonds, [2009] Series [A]" (the "Bonds").

The Bonds are issued pursuant to the authority of Council Bills Nos. 28, 29, 39, 40, 55 and 56, enacted during the 2003 Legislative Session, Council Bills Nos. 18, 19, 20, 31 and 32, enacted during the 2004 Legislative Session, Council Bills Nos. 23, 24, 25, 28, 35, 36 and 44, enacted during the 2005 Legislative Session, Council Bills Nos. 28, 29, 30, 31 and 76, enacted during the 2006 Legislative Session,

Council Bills Nos. 20, 21, 22 and 36, enacted during the 2007 Legislative Session, and Council Bills Nos. 28, 29, 30 and 45, enacted during the 2008 Legislative Session and in accordance with proper proceedings duly had and taken by the County Council of Howard County, particularly Council Bill No. 34-2006, enacted during the 2006 Legislative Session, as heretofore supplemented, and Council Bill No. 59-2008, enacted and effective on December \_\_, 2008 (the "Ordinance").

The Bonds shall be issued as fully registered bonds without coupons in denominations of \$5,000 or any integral multiple thereof and shall mature in consecutive annual installments as provided in the Ordinance.

This bond shall be registered on the books of the County to be kept for that purpose by the Bond Registrar at its principal office. This bond shall be transferable only upon such books at such office by the registered owner or by its duly authorized officer or attorney, but this Bond will not be transferred unless DTC determines to discontinue providing its services as a securities depository or directs that the Bonds be reregistered in a different name, or unless DTC is removed as the depository for the Bonds. This bond, upon surrender hereof at the principal office of the Bond Registrar with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner hereof or his duly authorized attorney, may, at the option of the registered owner hereof, be exchanged for an equal aggregate principal amount of Bonds of authorized denominations and of the same form and tenor as this bond. For every such exchange or transfer of Bonds, the County or the Bond Registrar shall make a charge for any tax or other governmental charge required to be paid with respect to such exchange or transfer. Such charge shall be paid by the registered owner requesting such exchange or transfer as a condition precedent to the exercise of such privilege. The Bond Registrar shall not be obligated to make any such exchange or transfer of Bonds during the 15 days next preceding an interest payment date on the Bonds, or in case of any proposed redemption of Bonds, during the 15 days next preceding the date of the publication of notice of such redemption. The Bond Registrar shall not be required to make any transfer or exchange of any Bonds called for redemption.

The County and the Bond Registrar may deem and treat the person in whose name this bond is registered as the absolute owner hereof for all purposes; and neither the County nor the Bond Registrar shall be affected by any notice to the contrary.

Certain of the Bonds are subject to redemption prior to maturity as follows:

TO BE INSERTED IF ANY OF THE BONDS ARE TERM BONDS:

[The Bonds maturing on [insert maturity date(s) of Term Bonds] (the "Term Bonds") shall be subject to mandatory sinking fund redemption by the County at a redemption price equal to 100% of the principal amount thereof, on the dates and in the principal amounts set forth below:

Bonds Maturing February 15,

|                        | Mandatory<br>Sinking Fund |
|------------------------|---------------------------|
| <u>Redemption Date</u> | <u>Installment</u>        |

[Repeat table for each Term Bond.]]

[The Bonds maturing on or after February 15, \_\_\_\_, shall be subject to redemption prior to their respective maturities, at the option of the County, on or at any time after February 15, \_\_\_\_, as a

whole or in part, at a redemption price of 100% of the principal amount thereof, together with accrued interest to the date fixed for redemption at the rate or rates stated in the Bonds to be redeemed.]

If less than all of the outstanding Bonds shall be called for optional redemption, the County shall choose the maturities of the Bonds to be redeemed and the principal amount of each such maturity to be redeemed, in its sole discretion. If less than all of the Bonds of any one maturity shall be called for redemption, then the particular Bonds of such maturity, or portions of such Bonds, to be redeemed shall be chosen by The Depository Trust Company ("DTC") in accordance with its normal and customary procedures (so long as the Bonds are in book-entry form), or by the Bond Registrar, by lot (if the book-entry system has been discontinued) [; and for an optional redemption, if such maturity consists of Term Bonds, the County shall choose the mandatory sinking fund installments of such Term Bonds to be reduced and the amount of such reduction, in its sole discretion]. The Bonds shall be redeemed only in integral multiples of \$5,000.

Notice of any redemption of the Bonds, either in whole or in part, shall be given by the County not less than 30 days nor more than 45 days prior to the date fixed for redemption (the "Redemption Date") by first-class mail to the registered owners of the Bonds to be redeemed (in whole or in part) and otherwise as provided in the Ordinance, unless such notice shall be waived in writing by the registered owners of the Bonds so called for redemption, and such redemption shall be made in all respects in the manner and upon the terms and conditions provided in the Ordinance. Notwithstanding the foregoing, so long as all of the Bonds are registered in the name of Cede & Co., as nominee for DTC, such notice shall be given by a secure means (e.g. legible facsimile transmission, registered or certified mail or overnight express delivery) in a timely manner designed to assure that such notice is in DTC'S possession no later than the close of business on such thirtieth day. On the Redemption Date, notice having been mailed or waived, and moneys for the payment of the redemption price of the Bonds (or portions thereof) plus accrued interest being held by the Bond Registrar, the Bonds (or such portions thereof) so called for redemption shall become due and payable at the redemption price provided for redemption of such Bonds or such portion thereof on the Redemption Date, interest on such Bonds or such portion thereof so called for redemption shall cease to accrue on the Redemption Date, and the registered owners of any such Bonds or of any portion thereof so called for redemption shall have no rights in respect thereto except to receive payment from such moneys held by the Bond Registrar of the redemption price thereof, plus accrued interest thereon to the Redemption Date. If a portion of any bond shall be called for redemption, a new bond in principal amount equal to the unredeemed portion thereof will be issued to the registered owner upon the surrender thereof or, so long as Cede & Co. is the registered owner of all of the Bonds, DTC may make an appropriate notation on this Bond indicating the date and amounts of such reduction in principal and notify the County in writing of such action. For all purposes, the principal amount of this bond outstanding at any time shall be equal to the lesser of (A) the Principal Amount shown on the fact hereof and (B) such Principal Amount reduced by the principal amount of any partial redemption of this bond following which DTC has elected not to surrender this bond in accordance with the preceding paragraph. The failure of DTC to note the principal amount of any partial redemption on the Payment Grid attached hereto, or any inaccuracy therein, shall not affect the payment obligation of the County hereunder. THEREFORE, IT CANNOT BE DETERMINED FROM THE FACE OF THIS BOND WHETHER A PART OF THE PRINCIPAL OF THIS BOND HAS BEEN PAID.

No covenant or agreement contained in this bond shall be deemed to be a covenant or agreement of any officer, agent or employee of the County in his or her individual capacity, and neither the members of the County Council of Howard County nor any official executing this bond shall be liable personally on this bond or be subject to any personal liability or accountability by reason of the issuance of this bond.



It is hereby certified and recited that each and every act, condition and thing required to exist, to be done, to have happened and to be performed precedent to and in the issuance of this bond, does exist, has been done, has happened, and has been performed in full and strict compliance with the Constitution and laws of the State of Maryland and the acts and ordinances of Howard County, Maryland, and that the issue of Bonds of which this is one, together with all other indebtedness of Howard County, Maryland, is within every debt and other limit prescribed by the Constitution and laws of the State of Maryland and the Charter of Howard County.

In any case where any date of payment of principal of or interest on this bond, or the date fixed for any redemption of this bond, is not a Business Day (hereinafter defined), then payment of such principal or interest need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of payment or the date fixed for redemption. A "Business Day" is any day other than a day on which banks located in the State of Maryland are required or authorized by law or executive order to close for business or on which the New York Stock Exchange is closed.

The full faith and credit of Howard County, Maryland, are hereby irrevocably pledged to the payment of the principal of this bond and of the interest to accrue hereon.

This bond shall not be valid or become obligatory for any purpose until this bond shall have been authenticated by the execution by the Bond Registrar, or its successor as Bond Registrar, of the Certificate of Authentication inscribed hereon.

[SIGNATURE APPEARS ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, HOWARD COUNTY, MARYLAND, has caused this bond to be signed by its County Executive by his manual or facsimile signature and by its Director of Finance by her manual or facsimile signature and has also caused its corporate seal to be hereunto affixed and attested by the manual or facsimile signature of its Chief Administrative Officer, all as of the Date of Issue set forth above.

HOWARD COUNTY, MARYLAND

[Corporate Seal]

By: \_\_\_\_\_  
County Executive

By: \_\_\_\_\_  
Director of Finance

ATTEST:

\_\_\_\_\_  
Chief Administrative Officer

## CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds of the issue described in the Ordinance referred to herein.

Date of Registration  
and Authentication:

---

Director of Finance,  
acting as Bond Registrar

PAYMENT GRID

[illegible]

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells,  
assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_  
(please insert name and address of the assignee)

\_\_\_\_\_  
(Tax Identification or Social Security No. \_\_\_\_\_) the within bond, and hereby irrevocably constitutes  
and appoints \_\_\_\_\_ attorney to transfer the within  
bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: \_\_\_\_\_

Signature guaranteed:

\_\_\_\_\_

\_\_\_\_\_  
NOTICE: Signature(s) must be guaranteed by a  
member firm of STAMP, SEMP or MSP  
signature guaranty medallion program.

\_\_\_\_\_  
NOTICE: The signature on this Assignment must  
correspond with the name of the registered owner  
as it appears on the face of the within bond in  
every particular, without alteration or enlargement  
or any change whatever.

**Exhibit B**

**Form of Metropolitan District Bond**

No. \_\_\_\_

\$\_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF MARYLAND  
HOWARD COUNTY, MARYLAND  
METROPOLITAN DISTRICT BOND  
[2009] SERIES [A]

| <u>Interest Rate</u> | <u>Date of Issue</u> | <u>Maturity Date</u> | <u>CUSIP</u> |
|----------------------|----------------------|----------------------|--------------|
| _____%               | (Date of Delivery)   | [February 15,] ____  | _____        |

Registered Owner: CEDE & CO.

Principal Amount:

HOWARD COUNTY, MARYLAND, a body politic and corporate, organized and existing under the Constitution and laws of the State of Maryland (the "County"), for value received, hereby promises to pay to the Registered Owner of this bond as set forth above, or registered assigns, the Principal Amount shown hereon on the Maturity Date shown hereon (or earlier as provided herein) and to pay interest on such Principal Amount from and including the interest payment date next preceding the date of registration and authentication of this bond, unless this bond is registered and authenticated as of an interest payment date, in which case it shall bear interest from such interest payment date, or unless this bond is registered and authenticated prior to [August 15, 2009], in which event this bond shall bear interest from the Date of Issue shown hereon, or unless, as shown by the records of the Bond Registrar (hereinafter defined), interest on this bond shall be in default, in which event this bond shall bear interest from the date on which interest was last paid on this bond, at the Interest Rate per annum shown hereon, payable [August 15, 2009] and semiannually thereafter on each February 15 and August 15 until maturity or earlier redemption.

Both the principal of and interest on this bond are payable in lawful money of the United States of America, at the time of payment. Payment of the principal of and premium, if any, on this bond shall be made upon presentation and surrender hereof at the principal office of the Director of Finance of the County, or her successor as bond registrar (the "Bond Registrar"). Payment of interest on this bond shall be made by the Bond Registrar on each interest payment date to the person appearing on the registration books of the County maintained by the Bond Registrar as the registered owner hereof, by check or draft mailed to such registered owner at his or her address as it appears on such registration books.

This bond is one of an issue of bonds of the County in the aggregate principal amount of \$\_\_\_\_\_, all dated as of the Date of Issue shown hereon, and known as "Howard County, Maryland Metropolitan District Bonds, [2009] Series [A]" (the "Bonds").

The Bonds are issued pursuant to the authority of Council Bill No. 26, enacted during the 2005 Legislative Session, Council Bill No. 32, enacted during the 2006 Legislative Session, Council Bill No. 23, enacted during the 2007 Legislative Session, and Council Bill No. 31, enacted during the 2008 Legislative Session and in accordance with proper proceedings duly had and taken by the County Council of

Howard County, particularly Council Bill No. 59-2008, enacted and effective on December \_\_, 2008 (the "Ordinance").

The Bonds shall be issued as fully registered bonds without coupons in denominations of \$5,000 or any integral multiple thereof and shall mature in consecutive annual installments as provided in the Ordinance.

This Bond shall be registered on the books of the County to be kept for that purpose by the Bond Registrar at its principal office. This bond shall be transferable only upon such books at such office by the registered owner or by its duly authorized officer or attorney, but this Bond will not be transferred unless DTC determines to discontinue providing its services as a securities depository or directs that the Bonds be reregistered in a different name, or unless DTC is removed as the depository for the Bonds. This bond, upon surrender hereof at the principal office of the Bond Registrar with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner hereof or his duly authorized attorney, may, at the option of the registered owner hereof, be exchanged for an equal aggregate principal amount of Bonds of authorized denominations and of the same form and tenor as this bond. For every such exchange or transfer of Bonds, the County or the Bond Registrar shall make a charge for any tax or other governmental charge required to be paid with respect to such exchange or transfer. Such charge shall be paid by the registered owner requesting such exchange or transfer as a condition precedent to the exercise of such privilege. The Bond Registrar shall not be obligated to make any such exchange or transfer of Bonds during the 15 days next preceding an interest payment date on the Bonds, or in case of any proposed redemption of Bonds, during the 15 days next preceding the date of the publication of notice of such redemption. The Bond Registrar shall not be required to make any transfer or exchange of any Bonds called for redemption.

The County and the Bond Registrar may deem and treat the person in whose name this bond is registered as the absolute owner hereof for all purposes; and neither the County nor the Bond Registrar shall be affected by any notice to the contrary.

Certain of the Bonds are subject to redemption prior to maturity as follows:

TO BE INSERTED IF ANY OF THE BONDS ARE TERM BONDS:

[The Bonds maturing on [insert maturity date(s) of Term Bonds] (the "Term Bonds") shall be subject to mandatory sinking fund redemption by the County at a redemption price equal to 100% of the principal amount thereof, on the dates and in the principal amounts set forth below:

| <u>Bonds Maturing February 15,</u> |   |
|------------------------------------|---|
| <u>Redemption Date</u>             | <u>Mandatory<br/>Sinking Fund<br/>Installment</u> |

[Repeat table for each Term Bond.]

[The Bonds maturing on or after February 15, \_\_\_\_, shall be subject to redemption prior to their respective maturities, at the option of the County, on or at any time after February 15, \_\_\_\_, as a whole or in part, at a redemption price of 100% of the principal amount thereof, together with accrued interest to the date fixed for redemption at the rate or rates stated in the Bonds to be redeemed.]

If less than all of the outstanding Bonds shall be called for optional redemption, the County shall choose the maturities of the Bonds to be redeemed and the principal amount of each such maturity to be redeemed, in its sole discretion. If less than all of the Bonds of any one maturity shall be called for redemption, then the particular Bonds of such maturity, or portions of such Bonds, to be redeemed shall be chosen by The Depository Trust Company ("DTC") in accordance with its normal and customary procedures (so long as the Bonds are in book-entry form), or by the Bond Registrar, by lot (if the book-entry system has been discontinued) [; and for an optional redemption, if such maturity consists of Term Bonds, the County shall choose the mandatory sinking fund installments of such Term Bonds to be reduced and the amount of such reduction, in its sole discretion]. The Bonds shall be redeemed only in integral multiples of \$5,000.

Notice of any redemption of the Bonds, either in whole or in part, shall be given by the County not less than 30 days nor more than 45 days prior to the date fixed for redemption (the "Redemption Date") by first-class mail to the registered owners of the Bonds to be redeemed (in whole or in part) and otherwise as provided in the Ordinance, unless such notice shall be waived in writing by the registered owners of the Bonds so called for redemption, and such redemption shall be made in all respects in the manner and upon the terms and conditions provided in the Ordinance. Notwithstanding the foregoing, so long as all of the Bonds are registered in the name of Cede & Co., as nominee for DTC, such notice shall be given by a secure means (e.g. legible facsimile transmission, registered or certified mail or overnight express delivery) in a timely manner designed to assure that such notice is in DTC's possession no later than the close of business on such thirtieth day. On the Redemption Date, notice having been mailed or waived, and moneys for the payment of the redemption price of the Bonds plus accrued interest being held by the Bond Registrar, the Bonds (or portions thereof) so called for redemption shall become due and payable at the redemption price provided for redemption of such Bonds or such portion thereof on the Redemption Date, interest on such Bonds or such portion thereof so called for redemption shall cease to accrue on the Redemption Date, and the registered owners of any such Bonds or of any portion thereof so called for redemption shall have no rights in respect thereto except to receive payment from such moneys held by the Bond Registrar of the redemption price thereof, plus accrued interest thereon to the Redemption Date. If a portion of any bond shall be called for redemption, a new bond in principal amount equal to the unredeemed portion thereof will be issued to the registered owner upon the surrender thereof or, so long as Cede & Co. is the registered owner of all of the Bonds, DTC may make an appropriate notation on this Bond indicating the date and amounts of such reduction in principal and notify the County in writing of such action. For all purposes, the principal amount of this bond outstanding at any time shall be equal to the lesser of (A) the Principal Amount shown on the fact hereof and (B) such Principal Amount reduced by the principal amount of any partial redemption of this bond following which DTC has elected not to surrender this bond in accordance with the preceding paragraph. The failure of DTC to note the principal amount of any partial redemption on the Payment Grid attached hereto, or any inaccuracy therein, shall not affect the payment obligation of the County hereunder. **THEREFORE, IT CANNOT BE DETERMINED FROM THE FACE OF THIS BOND WHETHER A PART OF THE PRINCIPAL OF THIS BOND HAS BEEN PAID.**

No covenant or agreement contained in this bond shall be deemed to be a covenant or agreement of any officer, agent or employee of the County in his or her individual capacity, and neither the members of the County Council of Howard County nor any official executing this bond shall be liable personally on this bond or be subject to any personal liability or accountability by reason of the issuance of this bond.

It is hereby certified and recited that each and every act, condition and thing required to exist, to be done, to have happened and to be performed precedent to and in the issuance of this bond, does exist, has been done, has happened, and has been performed in full and strict compliance with the Constitution and laws of the State of Maryland and the acts and ordinances of Howard County, Maryland, and that the issue of Bonds of which this is one, together with all other indebtedness of Howard County,



Maryland, is within every debt and other limit prescribed by the Constitution and laws of the State of Maryland and the Charter of Howard County.

In any case where any date of payment of principal of or interest on this bond, or the date fixed for any redemption of this bond, is not a Business Day (hereinafter defined), then payment of such principal or interest need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of payment or the date fixed for redemption. A "Business Day" is any day other than a day on which banks located in the State of Maryland are required or authorized by law or executive order to close for business or on which the New York Stock Exchange is closed.

The full faith and credit of Howard County, Maryland, are hereby irrevocably pledged to the payment of the principal of this bond and of the interest to accrue hereon.

This bond shall not be valid or become obligatory for any purpose until this bond shall have been authenticated by the execution by the Bond Registrar, or its successor as Bond Registrar, of the Certificate of Authentication inscribed hereon.

[SIGNATURE APPEARS ON THE FOLLOWING PAGE.]

IN WITNESS WHEREOF, HOWARD COUNTY, MARYLAND, has caused this bond to be signed by its County Executive by his manual or facsimile signature and by its Director of Finance by her manual or facsimile signature and has also caused its corporate seal to be hereunto affixed and attested by the manual or facsimile signature of its Chief Administrative Officer, all as of the Date of Issue set forth above.

HOWARD COUNTY, MARYLAND

[Corporate Seal]

By: \_\_\_\_\_  
County Executive

By: \_\_\_\_\_  
Director of Finance

ATTEST:

\_\_\_\_\_  
Chief Administrative Officer

## CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds of the issue described in the Ordinance referred to herein.

Date of Registration  
and Authentication:

---

Director of Finance,  
acting as Bond Registrar

PAYMENT GRID

[illegible]

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_ (please insert name and address of the assignee)

\_\_\_\_\_ (Tax Identification or

Social Security No. \_\_\_\_\_) the within bond, and hereby irrevocably constitutes and appoints

\_\_\_\_\_ attorney to transfer the within bond on the books kept for

registration thereof, with full power of substitution in the premises.

Date: \_\_\_\_\_

Signature guaranteed:

\_\_\_\_\_

\_\_\_\_\_  
NOTICE: Signature(s) must be guaranteed by a member firm of STAMP, SEMP or MSP signature guaranty medallion program.

\_\_\_\_\_  
NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within bond in every particular, without alteration or enlargement or any change whatever.

## CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this “Disclosure Agreement”), dated as of \_\_\_\_\_, [2009] delivered by Howard County, Maryland (the “County”) and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the “Disclosure Dissemination Agent” or “DAC”) for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the “Rule”).

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

“Annual Report” means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

“Annual Filing Date” means the date, set in Sections 2(a) and 2(f), by which the Annual Report is to be filed with the Repositories.

“Annual Financial Information” means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

“Audited Financial Statements” means the financial statements (if any) of the County for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

“Bonds” means the bonds as listed on the attached Exhibit A.

“Certification” means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Voluntary Report or Notice Event notice delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Voluntary Report or Notice Event notice required to be submitted to the Repositories under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the County and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

“Disclosure Representative” means the Director of Finance, of the County or her or his designee, or such other person as the County shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

“Disclosure Dissemination Agent” means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the County pursuant to Section 9 hereof.

“Holder” means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

“Information” means the Annual Financial Information, the Audited Financial Statements (if any) the Notice Event notices, and the Voluntary Reports.

“Notice Event” means an event listed in Sections 4(a) of this Disclosure Agreement.

“MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

“National Repository” means any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule. The list of National Repositories maintained by the United States Securities and Exchange Commission shall be conclusive for purposes of determining National Repositories. Currently, the following are National Repositories:

1. DPC Data Inc.  
One Executive Drive  
Fort Lee, NJ 07024  
(201) 346-0701 (phone)  
(201) 947-0107 (fax)  
Email: nrmsir@dpcdata.com
2. FT Interactive Data  
Attn: NRMSIR  
100 William Street, 15<sup>th</sup> Floor  
New York, NY 10038  
(212) 771-6999; (800) 689-8466 (phone)  
(212) 771-7390 (fax)  
Email: NRMSIR@Interactivedata.com
3. Bloomberg Municipal Repository  
100 Business Park Drive  
Skillman, NJ 08558  
(609) 279-3225 (phone)  
(609) 279-5962 (fax)  
Email: Munis@Bloomberg.com
4. Standard & Poor’s Securities Evaluations, Inc.  
55 Water Street  
45<sup>th</sup> Floor  
New York, NY 10041  
(212) 438-4595 (phone)  
(212) 438-3975 (fax)  
Email: nrmsir\_repository@sandp.com

“Official Statement” means that Official Statement dated \_\_\_\_\_, [2009] the County in connection with the Bonds.

“Repository” means the MSRB, each National Repository and the State Depository (if any).

“State Depository” means any public or private depository or entity designated by the State of Maryland as a state information depository (if any) for the purpose of the Rule. The list of state information depositories maintained by the United States Securities and Exchange Commission shall be conclusive as to the existence of a State Depository. Currently, there is no State

Depository for the State of Maryland.

“Voluntary Report” means the information provided to the Disclosure Dissemination Agent by the County pursuant to Section 7.

SECTION 2. Provision of Annual Reports.

(a) The County shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent not later than 30 days prior to the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to each National Repository and the State Depository (if any) not later than 275 days after the end of each fiscal year of the County, commencing with the fiscal year ending June 30, [2009]. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the County of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the County will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent that a Notice Event as described in Section 4(a)(12) has occurred and to immediately send a notice to each National Repository or the MSRB and the State Depository (if any) in substantially the form attached as Exhibit B.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 12:00 noon on the first business day following the Annual Filing Date for the Annual Report, a Notice Event described in Section 4(a)(12) shall have occurred and the County irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to each National Repository or the MSRB and the State Depository (if any) in substantially the form attached as Exhibit B.

(d) If Audited Financial Statements of the County are prepared but not available prior to the Annual Filing Date, the County shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certificate, together with a copy for the Trustee, for filing with each National Repository and the State Depository (if any).

(e) The Disclosure Dissemination Agent shall:

(i) determine the name and address of each Repository each year prior to the Annual Filing Date;

(ii) upon receipt, promptly file each Annual Report received under Section 2(a) with each National Repository, and the State Depository, (if any);

(iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with each National Repository, and the State Depository (if any);

(iv) upon receipt, promptly file the text of each disclosure to be made with each National Repository and the State Depository (if any) together with



a completed copy of the Event Notice Cover Sheet in the form attached as Exhibit C, describing the event by checking the box indicated below when filing pursuant to the Section of this Disclosure Agreement indicated:

1. “Principal and interest payment delinquencies,” pursuant to Sections 4(c) and 4(a)(1);
2. “Non-Payment related defaults,” pursuant to Sections 4(c) and 4(a)(2);
3. “Unscheduled draws on debt service reserves reflecting financial difficulties,” pursuant to Sections 4(c) and 4(a)(3);
4. “Unscheduled draws on credit enhancements reflecting financial difficulties,” pursuant to Sections 4(c) and 4(a)(4);
5. “Substitution of credit or liquidity providers, or their failure to perform,” pursuant to Sections 4(c) and 4(a)(5);
6. “Adverse tax opinions or events affecting the tax-exempt status of the security,” pursuant to Sections 4(c) and 4(a)(6);
7. “Modifications to rights of securities holders,” pursuant to Sections 4(c) and 4(a)(7);
8. “Bond calls,” pursuant to Sections 4(c) and 4(a)(8);
9. “Defeasances,” pursuant to Sections 4(c) and 4(a)(9);
10. “Release, substitution, or sale of property securing repayment of the securities,” pursuant to Sections 4(c) and 4(a)(10);
11. “Ratings changes,” pursuant to Sections 4(c) and 4(a)(11);
12. “Failure to provide annual financial information as required,” pursuant to Section 2(b)(ii) or Section 2(c), together with a completed copy of Exhibit B to this Disclosure Agreement;
13. “Other material event notice (specify),” pursuant to Section 7 of this Agreement, together with the summary description provided by the Disclosure Representative.

(v) provide the County evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The County may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent, Trustee (if any) and the Repositories, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

### SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the County, including (1) a summary of the County’s outstanding general obligation debt and other long-term debt, (2) a summary of County revenues and expenditures, (3) the County’s assessed values, tax

rates, tax levies and collections, (4) the County's budget for the current fiscal year and (5) a description of material litigation, if any, based on the accountant's report contained in the County's Audited Financial Statements, such information and data to be updated as of the end of the preceding fiscal year.

(b) Audited Financial Statements prepared in accordance with generally accepted accounting principles ("GAAP") will be included in the Annual Report. If Audited Financial Statements are not available, then, unaudited financial statements, prepared in accordance with GAAP will be included in the Annual Report. Audited Financial Statements (if any) will be provided pursuant to Section 2(d).

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the County is an "obligated person" (as defined by the Rule), which have been previously filed with each of the National Repositories or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The County will clearly identify each such document so incorporated by reference.

Any annual financial information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

#### SECTION 4. Reporting of Notice Events.

(a) The occurrence of any of the following events, if material, with respect to the Bonds constitutes a Notice Event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements relating to the Bonds reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
7. Modifications to rights of Bond holders;
8. Bond calls;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds;
11. Rating changes on the Bonds;
12. Failure to provide annual financial information as required; and

The County shall promptly notify the Disclosure Dissemination Agent in writing upon the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c). Such notice shall be accompanied with the text of the disclosure that the

County desires to make, the written authorization of the County for the Disclosure Dissemination Agent to disseminate such information, and the date the County desires for the Disclosure Dissemination Agent to disseminate the information.

(b) The Disclosure Dissemination Agent is under no obligation to notify the County or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within five business days of receipt of such notice, instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c), together with the text of the disclosure that the County desires to make, the written authorization of the County for the Disclosure Dissemination Agent to disseminate such information, and the date the County desires for the Disclosure Dissemination Agent to disseminate the information.

(c) If the Disclosure Dissemination Agent has been instructed by the County as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with the State Depository (if any) and (i) each National Repository, or (ii) the MSRB in accordance with Section 2 e (iv) hereof.

SECTION 5. CUSIP Numbers. Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, notices of Notice Events, and Voluntary Reports filed pursuant to Section 7(a), the County shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

SECTION 6. Additional Disclosure Obligations. The County acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the County, and that the failure of the Disclosure Dissemination Agent to so advise the County shall not constitute a breach by the Disclosure Dissemination Agent of any of its duties and responsibilities under this Disclosure Agreement. The County acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Reports.

(a) The County may instruct the Disclosure Dissemination Agent to file information with the Repositories, from time to time pursuant to a Certification of the Disclosure Representative accompanying such information (a "Voluntary Report").

(b) Nothing in this Disclosure Agreement shall be deemed to prevent the County from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Annual Financial Statement, Voluntary Report or Notice Event notice, in addition to that required by this Disclosure Agreement. If the County chooses to include any information in any Annual Report, Annual Financial Statement, Voluntary Report or Notice Event notice in addition to that which is specifically required by this Disclosure Agreement, the County shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Annual Financial Statement, Voluntary Report or Notice Event notice.

SECTION 8. Termination of Reporting Obligation. The obligations of the County and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to a series of the Bonds upon the legal defeasance (if any), prior redemption or payment in full of all of the Bonds of

such series, when the County is no longer an obligated person with respect to the Bonds of such series, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The County has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The County may, upon thirty days written notice to the Disclosure Dissemination Agent and the Trustee, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the County or DAC, the County agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the County shall remain liable until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the County.

SECTION 10. Remedies in Event of Default; Limitation of Forum. (a) In the event of a failure of the County or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. The County shall be given written notice at the address set forth below of any claimed failure by the County to perform its obligations under this Disclosure Agreement, and the County shall be given 45 days to remedy any such claimed failure. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

(b) Any suit or other proceeding seeking redress with regard to any claimed failure by the County to perform its obligations under this Disclosure Agreement must be filed in the Circuit Court for Howard County, Maryland.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the County has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the County and shall not be deemed to be acting in any fiduciary capacity for the County, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the County's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the County has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon certifications of the County at all times.

TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE COUNTY AGREES TO INDEMNIFY AND SAVE THE DISCLOSURE DISSEMINATION AGENT AND ITS RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, HARMLESS AGAINST ANY LOSS, EXPENSE AND LIABILITIES WHICH THEY MAY INCUR ARISING OUT OF OR IN THE EXERCISE OR PERFORMANCE OF THEIR POWERS AND DUTIES HEREUNDER, INCLUDING

THE COSTS AND EXPENSES (INCLUDING ATTORNEYS FEES) OF DEFENDING AGAINST ANY CLAIM OF LIABILITY, BUT EXCLUDING LIABILITIES DUE TO THE DISCLOSURE DISSEMINATION AGENT'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

The obligations of the County under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and neither of them shall incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the County.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the County and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the County and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the County or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days written notice of the intent to do so together with a copy of the proposed amendment to the County. No such amendment shall become effective if the County shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the County, the Trustee of the Bonds, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Maryland (other than with respect to conflicts of laws).

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

The Disclosure Dissemination Agent and the County have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C., as  
Disclosure Dissemination Agent

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

HOWARD COUNTY, MARYLAND

[SEAL]

ATTEST:

\_\_\_\_\_  
Lonnie R. Robbins,  
Chief Administrative Officer

By: \_\_\_\_\_  
Ken Ulman, County Executive

Approved as to form and  
legal sufficiency this \_\_\_\_  
day of \_\_\_\_\_, [2009].

\_\_\_\_\_  
Margaret Ann Nolan,  
County Solicitor

*EXHIBIT A*

**NAMES OF BONDS**

1. \$\_\_\_\_\_ Howard County, Maryland Consolidated Public Improvement Bonds, [2009] Series [A]
2. \$\_\_\_\_\_ Howard County, Maryland Metropolitan District Bonds, [2009] Series [A]

*EXHIBIT B*

**NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT**

County: HOWARD COUNTY, MARYLAND

Name of Bond Issue: \$\_\_\_\_\_ Howard County, Maryland Consolidated  
Public Improvement Bonds, [2009] Series [A] and  
\$\_\_\_\_\_ Howard County, Maryland Metropolitan District  
Bonds, [2009] Series [A]

Dated Date: February \_\_, 2008

NOTICE IS HEREBY GIVEN that the County has not provided an Annual Report with respect to the above-named Bonds as required by the Disclosure Agreement, dated as of \_\_\_\_\_, [2009] between the County and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The County has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by\_\_\_\_\_.

Dated: \_\_\_\_\_

Digital Assurance Certification, L.L.C., as Disclosure  
Dissemination Agent, on behalf of the County

\_\_\_\_\_

cc: Howard County, Maryland



**EXHIBIT C**  
**EVENT NOTICE COVER SHEET**

This cover sheet and material event notice will be sent to all Nationally Recognized Municipal Securities Information Repositories, and any State Information Depository, if applicable, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

County's Name: \_\_\_\_\_

Six-Digit CUSIP Number: \_\_\_\_\_

or Nine-Digit CUSIP Number(s) of the bonds to which this material event notice relates: \_\_\_\_\_

Number of pages of attached: \_\_\_\_\_

\_\_\_\_ Description of Material Event Notice (Check One):

1. \_\_\_\_ Principal and interest payment delinquencies
2. \_\_\_\_ Non-Payment related defaults
3. \_\_\_\_ Unscheduled draws on debt service reserves reflecting financial difficulties
4. \_\_\_\_ Unscheduled draws on credit enhancements reflecting financial difficulties
5. \_\_\_\_ Substitution of credit or liquidity providers, or their failure to perform
6. \_\_\_\_ Adverse tax opinions or events affecting the tax-exempt status of the security
7. \_\_\_\_ Modifications to rights of securities holders
8. \_\_\_\_ Bond calls
9. \_\_\_\_ Defeasances
10. \_\_\_\_ Release, substitution, or sale of property securing repayment of the securities
11. \_\_\_\_ Rating changes
12. \_\_\_\_ Other material event notice (specify) \_\_\_\_\_

\_\_\_\_ Failure to provide annual financial information as required

I hereby represent that I am authorized by the County or its agent to distribute this information publicly:

Signature: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Employer: Digital Assurance Certification, L.L.C.

Address: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Voice Telephone Number: \_\_\_\_\_

**APPENDIX I****BOND ANTICIPATION NOTE FUNDING****As of November 19, 2008**

| <b>FUND</b>                    | <b>NAME</b>                    | <b>NOTE<br/>FUNDED</b> |
|--------------------------------|--------------------------------|------------------------|
| 610E                           | SCHOOL CONSTRUCTION            | \$ 16,978,289          |
| 614M                           | COMMUNITY COLLEGE              | 4,184,000              |
| 810C                           | GENERAL IMPROVEMENTS           | 7,069,628              |
| 811F                           | FIRE SERVICE                   | 2,054,000              |
| 813N                           | RECREATION & PARKS             | 533,230                |
| 814D                           | STORM DRAINAGE                 | 916,227                |
| 816B                           | BRIDGES                        | 48,295                 |
| 816H                           | ROAD RESURFACING               | 58,000                 |
| 816J                           | ROAD CONSTRUCTION              | 561,096                |
| 816K                           | SIDEWALKS                      | 430,620                |
| 816T                           | INTERSECTIONS                  | 710,948                |
|                                | TOTAL 816                      | 1,808,959              |
| 821P                           | POLICE                         | 81,459                 |
|                                | SUBTOTAL                       | 33,625,792             |
| EXCISE BOND FUNDING            |                                |                        |
| 816J                           | ROAD CONSTRUCTION              | 3,691,000              |
| 816T                           | INTERSECTIONS                  | 348,000                |
|                                | SUBTOTAL                       | 4,039,000              |
| SCHOOL EXCISE BOND FUNDING     |                                |                        |
| 610E                           | SCHOOL CONSTRUCTION            | 1,252,000              |
| COMMUNITY COLLEGE BOND FUNDING |                                |                        |
| 614M                           | COMMUNITY COLLEGE CONSTRUCTION | 3,583,208              |
|                                | GRAND TOTAL                    | \$ 42,500,000          |

**BOND ANTICIPATION NOTE**  
**BONDED SCHOOL CONSTRUCTION**  
**As of November 19, 2008**

**Fund 610 – E**

| <b>PROJECT</b>                     | <b>DESCRIPTION</b>             | <b>NOTE FUNDED</b>          |
|------------------------------------|--------------------------------|-----------------------------|
| 0954                               | 98 GLENELG HIGH SCHOOL         | \$ 3,951,088                |
| 0968                               | 04 GORMAN CROSSING ELEM ADDTN  | 36,000                      |
| 0972                               | 03 BUSHY PARK ELEM REPL        | 171,000                     |
| 0973                               | 03 WAVERLY ELEM ADDN           | 6,000                       |
| 0980                               | 04 SYSTEMIC RENOVATIONS        | 4,795,201                   |
| 0989                               | 89 BARRIER-FREE PROJECTS       | 336,000                     |
| 0990                               | 02 PLAYGROUND EQUIPMENT        | 116,000                     |
| 0991                               | 05 FULL DAY KINDERGARTEN       | 1,723,000                   |
| 0993                               | 04 RELOCATABLE CLASSRMS        | 28,000                      |
| 0999                               | 06 EDUC SPEC MODERNIZTN        | 258,000                     |
| 1004                               | 06 OLD CEDAR LANE RENOVATIONS  | 6,000                       |
| 1005                               | 07 MT HEBRON HS RENOVATIONS    | 1,812,000                   |
| 1006                               | 07 CENTENNIAL LN ELEM ADDITION | 2,217,000                   |
| 1008                               | 08 ELKRIDGE ELEM ADDITION      | 395,000                     |
| 1012                               | 08 SCHOOL PKG LOT EXPANSION    | 1,056,000                   |
| 1013                               | 09 NORTHFIELD ELEM RENOVATION  | 72,000                      |
|                                    | SUBTOTAL                       | <u>16,978,289</u>           |
| <b>SCHOOL EXCISE BOND PROJECTS</b> |                                |                             |
| 0975                               | 02 NEW NORTHERN HS             | 343,000                     |
| 0993                               | 04 RELOCATABLE CLASSROOMS PRO  | <u>797,000</u>              |
|                                    | SUBTOTAL                       | <u>1,252,000</u>            |
|                                    | GRAND TOTAL                    | \$ <u><u>18,230,289</u></u> |

**BOND ANTICIPATION NOTE  
GENERAL IMPROVEMENTS  
As of November 19, 2008**

**Fund 614 - M**

| <b>PROJECT</b>                         | <b>DESCRIPTION</b>            | <b>NOTE<br/>FUNDED</b>     |
|--|-------------------------------|----------------------------|
| 0522                                   | 95 SYSTEMIC RENOVATIONS       | \$ 702,000                 |
| 0529                                   | 03 INSTRUCTIONAL BLDG #2      | 29,000                     |
| 0530                                   | 04 STUDENT SVCS BLDG          | 41,000                     |
| 0533                                   | 06 STUD SVC / CLARK BLDG      | 34,000                     |
| 0534                                   | 06 RENOV TO BLDG A/SMITH      | 2,386,000                  |
| 0538                                   | 08 CHILDREN'S LEARNING CENTER | 675,000                    |
| 0540                                   | 08 SAFETY COMP / FACILITY REN | 317,000                    |
|  | SUBTOTAL                      | <u>4,184,000</u>           |
| <b>COMMUNITY COLLEGE BOND PROJECTS</b> |                               |                            |
| 0529                                   | 03 INSTRUCTIONAL BLDG #2      | <u>3,583,208</u>           |
|  | SUBTOTAL                      | <u>3,583,208</u>           |
|  | GRAND TOTAL                   | \$ <u><u>7,767,208</u></u> |

**BOND ANTICIPATION NOTE**  
**GENERAL IMPROVEMENTS**  
**As of November 19, 2008**

**Fund 810 – C**

| <b>PROJECT</b> | <b>DESCRIPTION</b>                  | <b>NOTE FUNDED</b> |
|----------------|-------------------------------------|--------------------|
| 0182           | 85 PUBLIC SAFETY ED CTR             | \$ 3,387,799       |
| 0254           | 97 ZONE SALT STORAGE FAC            | 278,000            |
| 0262           | 97 800MHZ RADIO COMM SYSTEM         | 616                |
| 0264           | 98 SYSTEMIC FACILITY IMPR           | 262,000            |
| 0270           | 99 ROADWAY MANAGEMNT INFO SYS       | 31,000             |
| 0283           | 03 TAX BILLING & COLLECTION         | 11,000             |
| 0290           | 03 COURTHOUSE RENOVATION            | 14,000             |
| 0291           | 03 GLENWOOD COMMUNITY CTR           | 131,000            |
| 0292           | 06 FUEL ISLAND FACILITY             | 28,000             |
| 0293           | 04 FINANCIAL ACCTG SYSTEM           | 63,000             |
| 0294           | 04 PERMIT PROC SYSTEM               | 18,000             |
| 0296           | 04 SURVEY AUTOMATION / GPS INTGRTN  | 3,213              |
| 0299           | 05 WASTE MGMT IMPROV                | 270,000            |
| 0301           | 05 TECH INFRASTRUCTURE              | 467,000            |
| 0303           | 06 CENTRAL FLEET MAINT & FACILITIES | 64,000             |
| 0306           | 06 GRASSROOTS RENOVATION            | 715,000            |
| 0310           | 07 TECH CONTINUITY OF GOVT & OPERS  | 32,000             |
| 0311           | 07 PUB SAFETY RADIO SYS ENHANCEMTS  | 662,000            |
| 0312           | 07 ENTERPRISE RESOURCE PLANNING SYS | 632,000            |
|                |                                     | <hr/>              |
|                |                                     | \$ 7,069,628       |

**BOND ANTICIPATION NOTE**  
**FIRE SERVICE**  
**As of November 19, 2008**

**Fund 811 - F**

| <b>PROJECT</b> | <b>DESCRIPTION</b>                 | <b>NOTE<br/>FUNDED</b>     |
|----------------|------------------------------------|----------------------------|
| 5960           | 01 FIRE STN SYSTEMIC IMPRVMTS      | \$ 5,000                   |
| 5965           | 06 NEW FIRESTATION 3               | 2,042,000                  |
| 5967           | 06 ELLICOTT CITY/COLUMBIA FIRE STN | 7,000                      |
|                |                                    | <hr/>                      |
|                |                                    | \$ <u><u>2,054,000</u></u> |

**BOND ANTICIPATION NOTE**  
**RECREATION & PARKS**  
**As of November 19, 2008**

**Fund 813 - N**

| <b>PROJECT</b> | <b>DESCRIPTION</b>                | <b>NOTE<br/>FUNDED</b> |
|----------------|-----------------------------------|------------------------|
| 3104           | 04 HIGHRIDGE COMMUNITY PARK       | 2,804                  |
| 3919           | 90 CENTENNIAL PARK ACCESS         | 12,426                 |
| 3968           | 07 CEDAR LN ATHLETIC FIELD IMPRV. | 518,000                |
|                |                                   | <hr/>                  |
|                |                                   | \$ 533,230             |

**BOND ANTICIPATION NOTE**  
**STORM DRAINAGE**  
**As of November 19, 2008**

**Fund 814 – D**

| <b>PROJECT</b> | <b>DESCRIPTION</b>                 | <b>NOTE<br/>FUNDED</b> |
|----------------|------------------------------------|------------------------|
| 1118           | 99 DRAINAGE IMPR PGM               | \$ 28,000              |
| 1125           | 04 EMERG STM DRN RECONSTR          | 6,000                  |
| 1126           | 02 WATERSHED MGMT CONSTRUCTION     | 100,000                |
| 1136           | 00 FLOODPLAIN REVISIONS            | 55                     |
| 1141           | 02 STORMWATER MGMT                 | 92,000                 |
| 1143           | 04 NAYLOR AVE. DRAINAGE            | 150,000                |
| 1145           | 02 DRAINAGE EASEMT ACQ             | 174,000                |
| 1146           | 02 N. LAUREL EROSION               | 4,172                  |
| 1148           | 07 NPDES WATERSHED MGMT CONSTR     | 37,000                 |
| 1151           | 05 SUMMER PARK COURT DRAINAGE      | 165,000                |
| 1154           | 08 DONLEIGH OPEN CHANNEL           | 98,000                 |
| 1155           | 06 LINCOLN DR. AT CEDAR VIL PK     | 7,000                  |
| 1156           | 06 MADISON AVE CULVERT REPLCMT     | 11,000                 |
| 1157           | 06 ST JOHNS LN VICINITY DRNG STUDY | 10,000                 |
| 1159           | 07 STORMWATER MGMT FACILITY        | 34,000                 |
|                |                                    | <hr/>                  |
|                |                                    | \$ 916,227             |



**BOND ANTICIPATION NOTE**  
**HIGHWAYS**  
**As of November 19, 2008**

**Fund 816 - B, H, J, K, T**

| <b>PROJECT</b> | <b>DESCRIPTION</b>                   | <b>NOTE<br/>FUNDED</b> |
|----------------|--------------------------------------|------------------------|
| 3830           | 91 LOUDON AVE CULVERT                | \$ 326                 |
| 3834           | 95 BONNIE BRANCH RD BRIDGE           | 35,187                 |
| 3842           | 92 SANNER RD BRIDGE                  | 782                    |
| 3853           | 00 EMERG BRIDGE RECONSTR             | 12,000                 |
|                | <b>SUBTOTAL</b>                      | <b>48,295</b>          |
| 8902           | 00 ROADWAY SHOULDER SFTY             | 58,000                 |
|                | <b>SUBTOTAL</b>                      | <b>58,000</b>          |
| 4092           | 99 HILLTOP LN/HARMEL DR IMPROV       | 6,059                  |
| 4136           | 94 MARSHALEE DR. IMPR                | 23,000                 |
| 4138           | 04 FAIRVIEW AVE TURNAROUND           | 237,000                |
| 4152           | 99 REALIGN PINDELL/SANNER            | 4,924                  |
| 4168           | 98 RDWY REHAB / SAFETY PGM           | 17,000                 |
| 4178           | 01 COUNTY/STATE NOISE ABTMT          | 96,000                 |
| 4183           | 05 NORFOLK AVE IMPR                  | 18,113                 |
| 4208           | 06 WATERSVILLE RD SLOPE RECNSTN      | 6,000                  |
| 4209           | 06 BONNIE BRANCH RD SLOPE STAB       | 31,000                 |
| 4213           | 07 COLLEGE AVE. SLOPE STABILIZATION  | 31,000                 |
| 4214           | 07 GUILFORD AT VOLLMERHAUSEN IMPRV   | 38,000                 |
| 4217           | 07 TOWER DRIVE DRAINAGE & SDWLKS     | 8,000                  |
| 4223           | 08 BURNTWOODS CURVE ELIMINATION      | 45,000                 |
|                | <b>SUBTOTAL</b>                      | <b>561,096</b>         |
| 5040           | 05 GUILFORD RD PEDESTRIAN/BIKE IMPTS | 179,000                |
| 5044           | 99 ST JOHNS LN SIDEWALK              | 54,000                 |
| 5045           | 07 SNOWDEN RIVER PKWY SDWKS          | 20,000                 |
| 5054           | 03 ROADSIDE IMPROVEMENT              | 165,000                |
| 5060           | 07 BROKEN LAND PKWY SIDEWALKS        | 12,620                 |
|                | <b>SUBTOTAL</b>                      | <b>430,620</b>         |

| <b>PROJECT</b> | <b>DESCRIPTION</b>                | <b>NOTE<br/>FUNDED</b> |
|----------------|-----------------------------------|------------------------|
| 7076           | 01 INTERSECTION IMPT PROGRAM      | 312,000                |
| 7082           | 04 STATE/CTY SHARED TRFC          | 128,000                |
| 7092           | 02 STATE/CTY SHARED INTERSECTIONS | 174,529                |
| 7093           | 03 WHISKEY BOTTOM TRAFFIC IMPTS   | 2,419                  |
| 7095           | 06 SIGNALIZATION PROGRAM          | 92,000                 |
|                | <b>SUBTOTAL</b>                   | <u>710,948</u>         |
|                | <b>TOTAL</b>                      | <u>1,808,959</u>       |

#### **EXCISE BOND PROJECTS**

| <b>PROJECT</b> | <b>DESCRIPTION</b>                 | <b>NOTE<br/>FUNDED</b> |
|----------------|------------------------------------|------------------------|
| 4127           | 92 STATE ROAD CONSTR               | \$ 102,000             |
| 4136           | 94 MARSHALEE DRIVE IMPTS           | 387,000                |
| 4143           | 95 WINTERS LANE                    | 351,000                |
| 4148           | 00 DORSEY RUN RD EXTENSION         | 403,000                |
| 4158           | 98 WORTHINGTON AREA VEHIC ACCESS   | 158,000                |
| 4164           | 97 ROADWAY CAPACITY IMPR           | 264,000                |
| 4175           | 00 GUILFORD RD IMPRVMTS            | 997,000                |
| 4177           | 01 STATE ROAD CONSTRUCTN           | 178,000                |
| 4181           | 03 GUILFORD RD (US1 TO DORSEY RUN) | 54,000                 |
| 4190           | 04 TEN OAKS AT MD108 IMPR          | 37,000                 |
| 4196           | 04 CARRS MILL RD IMPROV            | 187,000                |
| 4198           | 06 WOODBINE/WELLER RD IMPTS        | 300,000                |
| 4211           | 07 ROADWAY CAPACITY IMPROV         | 238,000                |
| 4222           | 08 SNOWDEN RIVER PARKWAY WIDENING  | 35,000                 |
| 7092           | 02 STATE/COUNTY SHARED INTERSCTNS  | 159,000                |
| 7101           | 08 STATE/COUNTY SHARED INTERSCTNS  | 189,000                |
|                | <b>SUBTOTAL</b>                    | <u>4,039,000</u>       |
|                | <b>GRAND TOTAL</b>                 | <u>\$ 5,847,959</u>    |

**BOND ANTICIPATION NOTE**  
**POLICE**  
**As of November 19, 2008**

**Fund 821 – P**

| <b>PROJECT</b> | <b>DESCRIPTION</b>         | <b>NOTE<br/>FUNDED</b> |
|----------------|----------------------------|------------------------|
| 4918           | 01 ANIMAL CONTROL REN      | \$ 2,459               |
| 4922           | 06 SPECIALTY VEH STRG BLDG | <u>79,000</u>          |
|                |                            | \$ 81,459              |

**Schedule of Projected Annual Principal Payment Amounts and  
Payment Dates for Consolidated Public Improvement Bonds**

| <u>Payment<br/>Date</u> | <u>Principal<br/>Amount</u> |
|-------------------------|-----------------------------|
| February 15, 2010       | 3,780,000                   |
| February 15, 2011       | 3,970,000                   |
| February 15, 2012       | 4,170,000                   |
| February 15, 2013       | 4,375,000                   |
| February 15, 2014       | 4,595,000                   |
| February 15, 2015       | 4,825,000                   |
| February 15, 2016       | 5,065,000                   |
| February 15, 2017       | 5,320,000                   |
| February 15, 2018       | 5,585,000                   |
| February 15, 2019       | 5,865,000                   |
| February 15, 2020       | 6,155,000                   |
| February 15, 2021       | 6,465,000                   |
| February 15, 2022       | 6,790,000                   |
| February 15, 2023       | 7,130,000                   |
| February 15, 2024       | 7,485,000                   |
| February 15, 2025       | 7,860,000                   |
| February 15, 2026       | 8,250,000                   |
| February 15, 2027       | 8,665,000                   |
| February 15, 2028       | 9,100,000                   |
| February 15, 2029       | 9,550,000                   |

**Schedule of Projected Annual Principal Payment Amounts and  
Payment Dates for Metropolitan District Bonds**

| <u>Payment<br/>Date</u> | <u>Principal<br/>Amount</u> |
|-------------------------|-----------------------------|
| February 15, 2010       | 525,000                     |
| February 15, 2011       | 555,000                     |
| February 15, 2012       | 580,000                     |
| February 15, 2013       | 610,000                     |
| February 15, 2014       | 640,000                     |
| February 15, 2015       | 670,000                     |
| February 15, 2016       | 705,000                     |
| February 15, 2017       | 740,000                     |
| February 15, 2018       | 780,000                     |
| February 15, 2019       | 815,000                     |
| February 15, 2020       | 860,000                     |
| February 15, 2021       | 900,000                     |
| February 15, 2022       | 945,000                     |
| February 15, 2023       | 995,000                     |
| February 15, 2024       | 1,045,000                   |
| February 15, 2025       | 1,095,000                   |
| February 15, 2026       | 1,150,000                   |
| February 15, 2027       | 1,205,000                   |
| February 15, 2028       | 1,270,000                   |
| February 15, 2029       | 1,330,000                   |
| February 15, 2030       | 1,400,000                   |
| February 15, 2031       | 1,465,000                   |
| February 15, 2032       | 1,540,000                   |
| February 15, 2033       | 1,620,000                   |
| February 15, 2034       | 1,700,000                   |
| February 13, 2035       | 1,785,000                   |
| February 15, 2036       | 1,875,000                   |
| February 15, 2037       | 1,965,000                   |
| February 15, 2038       | 2,065,000                   |
| February 15, 2039       | 2,170,000                   |

## Schedule of Excise Tax-Funded Projects

| PROJECT | DESCRIPTION                        | NOTE<br>FUNDED      |
|---------|------------------------------------|---------------------|
| 4127    | 92 STATE ROAD CONSTR               | \$ 102,000          |
| 4136    | 94 MARSHALEE DRIVE IMPTS           | 387,000             |
| 4143    | 95 WINTERS LANE                    | 351,000             |
| 4148    | 00 DORSEY RUN RD EXTENSION         | 403,000             |
| 4158    | 98 WORTHINGTON AREA VEHIC ACCESS   | 158,000             |
| 4164    | 97 ROADWAY CAPACITY IMPR           | 264,000             |
| 4175    | 00 GUILFORD RD IMPRVMTS            | 997,000             |
| 4177    | 01 STATE ROAD CONSTRUCTN           | 178,000             |
| 4181    | 03 GUILFORD RD (US1 TO DORSEY RUN) | 54,000              |
| 4190    | 04 TEN OAKS AT MD108 IMPR          | 37,000              |
| 4196    | 04 CARRS MILL RD IMPROV            | 187,000             |
| 4198    | 06 WOODBINE/WELLER RD IMPTS        | 300,000             |
| 4211    | 07 ROADWAY CAPACITY IMPROV         | 238,000             |
| 4222    | 08 SNOWDEN RIVER PARKWAY WIDENING  | 35,000              |
| 7092    | 02 STATE/COUNTY SHARED INTERSCTNS  | 159,000             |
| 7101    | 08 STATE/COUNTY SHARED INTERSCTNS  | 189,000             |
| TOTAL   |                                    | \$ <u>4,039,000</u> |